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OVERSIGHT OF THE FEDERAL-AID HIGHWAY PROGRAM

HEARINGS

BEFORE THE

SUBCOMMITTEE ON WATER RESOURCES,
TRANSPORTATION, AND INFRASTRUCTURE

OF THE

COMMITTEE ON
ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

AUGUST 21, 1989—TWIN FALLS, ID
AUGUST 22, 1989—IDAHO FALLS, ID

Part 1

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CONTENTS

AUGUST 21, 1989, TWIN FALLS, ID

Page
Symms, Hon. Steve, U.S. Senator from the State of Idaho, opening statement of 1

Witnesses

Andreason, Tom, staff assistant to Hon. Larry Craig, a Representative in Congress from the State of Idaho 4
Bivens, David, director of public affairs, Idaho Farm Bureau Federation 23
Browning, George, assistant to the president, Western Highway Institute 33
  Written statement 103
Dull, Garth, director, Nevada Department of Transportation 2
  Written statement 57
Forbes, Don, State highway engineer, Oregon Department of Transportation 42
  Written statement 114
Garrard, Parke, managing director, Idaho Motor Transport Association 21
Gibson, Mark, National Highway Users Federation 36
Hackworth, Ted, immediate past president, National Association of Regional Councils 15
  Written statement 69
  Meeting our transportation needs in the 21st century 72
Henry, Robert L., administrator, Idaho Transportation Council 49
Just, Kent, executive vice president, Twin Falls Chamber of Commerce 24
Lancaster, Tom, president, Idaho Association of Highway Districts 45
Madara, James R., western regional vice president, American Road & Transportation Builders Association 19
  Written statement 76
Peters, Ralph, president, Association of Idaho Cities 12
  Written statement 65
Pline, Jim, international president, Institute of Transportation Engineers 31
  Written statement 86
Plummer, Larry, congressional liaison, Washington State Department of Transportation 7
Ramsey, Jack, secretary-treasurer, Buhl Economic Council 51
Thomas-Jorgenson, Jill, director of economic development, Port of Lewiston 54
Additional Material:
  Estimated State payments into the Highway Trust Fund and Federal-aid Appropriations from the fund—Idaho 30

AUGUST 22, 1989, IDAHO FALLS, ID

Symms, Hon. Steve, U.S. Senator from the State of Idaho, opening statement of 119

Witnesses

Anderson, James, on behalf of the Associated Builders & Contractors 174
Arvas, Val, Bannock County commissioner 147
Backes, Richard, highway commissioner, North Dakota State Highway Department 131
  Written statement 192
Barker, Bart, chairman, Transportation Committee, National Association of Counties 149

Barker, Bart, chairman, Transportation Committee, National Association of Counties—Continued
Page
Written statement 212
Bennion, Sam, V-1 Oil Co., Idaho Falls 176
Binggeli, Ronald D., public transportation director, city of Pocatello, ID 161
Written statement 222
Burtenshaw, Clyde, commissioner, Bonneville County, ID 146
Clary, Benton, Assistant Superintendent, Yellowstone National Park 166
Corbell, Bob, executive director, Idaho branch, Associated General Contractors 172
Written statement 249
Harriell, LaDon 180
Jensen, Bill, director, New Sweden Irrigation District 179
Kiebert, Kermit, director, Idaho Transportation Department 126
Larsen, Larry W., director, Montana Department of Highways 134
Lupis, John V., Director of Engineering, Intermountain Region, U.S. Forest Service 168
Written statement 234
Miller, Charles L., director, Arizona Department of Transportation 136
Written statement 205
Piscitella, Roger 183
Petersen, Tally 182
Reser, Galen, Assistant Secretary for Governmental Affairs, Department of Transportation 121
Written statement 187
Sessions, John O., chairman, Transportation and Defense Committee, Idaho House of Representatives 164
Smith, Bill, chairman, Local Highway Needs Assessment Council 157
Written statement 218
Stanger, Chad, public works director, city of Idaho Falls 160
Thompson, Duane F., Superintendent, Fort Hall Agency, Bureau of Indian Affairs 170
Written statement 241

ADDITIONAL STATEMENTS SUBMITTED FOR THE RECORD

National Park Service 258
Idaho Fish and Game 260
American Recreation Coalition 262
Intermountain Forest Industry Association 266
National Association of County Engineers 268
Wyoming Trucking Association, Inc 276
Zirbel Transport, Inc 285

OVERSIGHT OF THE FEDERAL-AID HIGHWAY PROGRAM

MONDAY, AUGUST 21, 1989

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE,
Twin Falls, ID.

The subcommittee met, pursuant to notice, at 9:32 a.m., in room 115, Shields Building, College of Southern Idaho, Twin Falls, Idaho, Hon. Steve Symms (acting chairman of the subcommittee) presiding.

Present: Senator Symms.

OPENING STATEMENT OF HON. STEVE SYMMS, U.S. SENATOR FROM THE STATE OF IDAHO

Senator SYMMS. The subcommittee will come to order. I want to welcome you all to the hearing today.

The Subcommittee on Water Resources, Transportation, and Infrastructure of the Committee on Environment and Public Works meets today to receive testimony on the Federal-aid Highway Program in preparation for the reauthorization of the program in 1991, which is coming on us rather rapidly. We on the committee think that the next two years will be a critical time for laying the groundwork of the future for where the Federal-aid Highway Program will go.

The Interstate System will be nearly complete by 1991. Important decisions about the country's highway program and what it will take are going to be made in this interim period.

All of you here today know how important a good transportation system is to the country, not just for mobility, but also for the economy. Not everyone is as well aware of it as most of the witnesses that are on the list today. It will be our responsibility in the next two years to do a lot of educating. We have to do a better job in bringing the importance of transportation to the attention of the public, the Congress, and the private sector.

I particularly want to welcome all the witnesses who will be testifying here today. They have been asked to testify on a number of issues regarding the highway program.

Before I list those issues, I want to say that the Idaho Department of Transportation will be testifying in Idaho Falls tomorrow. That was by my request because we had so many people that requested to testify here in Twin Falls today.

What we want to find out here is: what direction the Federal-aid Highway Program should take now that the Interstate System is essentially complete; what role the Federal, State, and local governments should have in the future of the highway program; the level of highway revenues coming into the Highway Trust Fund versus highway needs; apportionment formulas; Federal design standards and requirements for the Federal-aid Highway System; transportation needs in urban and rural areas; highway needs on Federal lands; alternative fuels and the effect of exemptions on highway revenues; the agriculture industry/transportation industry needs; and any other issues that concern the highway program.

I am very pleased that the Subcommittee on Water Resources, Transportation, and Infrastructure is holding hearings in Idaho this week. I would like to publicly thank Senator Quentin Burdick, the Chairman of the Committee, Senator Daniel Patrick Moynihan, the Chairman of the Subcommittee, and Senator Chafee, the Ranking Republican on the committee on agreeing to hold these hearings in the western States.

The western States in this country have an important perspective, and it is important to provide a forum for those views to be expressed. I look forward to hearing from our witnesses today, and I know the information will be helpful to the committee as highway legislation is developed.

Without further ado, let me ask Panel 1 to come up. That is Mr. Garth Dull of the Nevada Department of Transportation; Larry Plummer of the Washington Department of Transportation; and Tom Andreason from the staff of Congressman Larry Craig. By the way, Congressman Craig achieved a committee assignment this year on the House Public Works and Transportation Committee.

All of the statements of all of the witnesses will be printed in their entirety in the record. We would like to have you keep your remarks within a five minute limit if you can.

Garth, let's hear from you.

STATEMENT OF GARTH DULL, DIRECTOR, NEVADA DEPARTMENT OF TRANSPORTATION

Mr. DULL. Thank you, Senator.

My name is Garth Dull, Director of the Nevada Department of Transportation. I appreciate the opportunity to be allowed to testify on the reauthorization of the Federal-aid Highway Program. With your permission, I would like to just summarize my statement in the interest of time.

Preservation of America's existing surface transportation system should be the primary goal of any future national transportation program since it is the system upon which this Nation's economic health and international vitality depend. When we talk about changing the Federal-aid Highway Program because of the pending completion of the Interstate System, we wonder why there is any great need to change the basic program that has served us well for over 30 years.

The Interstate System, for one thing, is not complete. We do not expect it to ever be complete. It is subject to construction and reconstruction for many years to come. Additionally, for the primary system which is actually just a part of the Interstate System and looks exactly like it once it is completed to freeway standards, there will be a continuing need for expansion.

The basic program consists of the Interstates, the primary, the urban, and the secondary system. That is what we define as a national transportation system. I would hope that we continue to look at that in the future.

There are many proposals out there for the reauthorization of the Federal-aid Highway Program. FHWA, Federal Highway Users Federation, AASHTO—all appear to be cut from the same cloth. They would propose a highway system of national significance and a flexible program. That highway system of national significance would consist of the Interstate and a portion of the primary. The rest of the primary, Federal-aid secondary, and the urban system would be classified in the flexible part of the program and would be a turn-back or a dollar-for-dollar contributed program, a grant block program, if you will.

Additionally on the flexible program, what is being proposed is that there would be no standards. This to us would signify a retreat from the progress we have made in reduced accident and fatality rates. I think we all recognize that the highest accident and fatality rates are on the rural secondary and primary. I do not think this Nation can afford to ignore that fact.

In Nevada, that would give us 2,400 miles under the basic criteria that we have seen on the highway system of national significance. Another 3,000 miles would be in the flexible part of the program. That is totally unacceptable to Nevada.

Additionally, FHWA is proposing that the match ratios be changed from 95/5 to 50/50, perhaps to 60/40, something less than what we currently have.

Senator SYMMS. Which ratios is that?

Mr. DULL. The match ratios for the Federal-aid Highway Program. Right now in Nevada it is 95 percent Federal-aid and 5 percent State. If that changes dramatically, just to increase the Federal-aid program to something like we have heard, 60/40, 60 percent Federal-aid, 40 percent from the State, then that would leave this 3,000 miles in Nevada that would be on the flexible part of the program wholly underfunded.

We do not know that we would be able to make that kind of a match. We think that is an effort to expand the Federal-aid Program without increasing Federal user fees. We do not think that is right.

To address the Highway Trust Fund—we need to eliminate the illusion of deficit reduction in the Highway Trust Fund. It should be removed from the unified budget and there should be no obligation limitations. We have been underfunding our infrastructure for years. We need to eliminate the exemption for alternate fuels. We need to increase Federal user fees in order to preserve and enhance the national transportation system. Turning funding back to the individual States is a mistake and something that this country can ill afford to do. Again, there should be no change in the apportionment formulas unless the ramifications are seriously considered prior to changing them.

In conclusion, Nevada is not alone in its opposition to the 2020 proposals that we have heard. WASHTO, the Western Association of State Highway and Transportation Officials, has consistently voted against the AASHTO 2020 proposals. In addition, the Western Governors' Association is on record as being against many portions of the 2020 proposals.

I strongly request your full support for a future Federal Aid Program which will embrace the same basic concepts and structure as exist today. Many improvements can and should be made which will increase the efficiency and flexibility without sacrificing the basic concepts that have made the current program so successful.

Senator, thank you. I would be happy to answer any questions you may have.

Senator SYMMS. Thank you very much. We will hear from Mr. Andreason and then I will ask some questions.

STATEMENT OF TOM ANDREASON, STAFF ASSISTANT TO THE HONORABLE LARRY CRAIG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mr. ANDREASON. Thank you, Senator.

My name is Tom Andreason and I am a staff assistant to Congressman Larry Craig in his Boise, Idaho office. It is my pleasure to appear before you today on behalf of Congressman Craig.

In his new role as a member of the House Committee on Public Works and Transportation, Congressman Craig met recently with Dr. Thomas Larson, the new Administrator of the Federal Highway Administration. During that meeting, Congressman Craig expressed his support for Transportation Secretary Skinner's commitment to pursue a national transportation plan and, in fact, has cosponsored legislation in Congress stipulating that this be done.

Such a plan is critical if we are to provide our Nation with an infrastructure that can support its future economic needs, especially when the present transportation systems in many of our rural States are inadequate as they now exist. The Federal/State partnership in this endeavor is as important as any that exist. By working together, we can play an important role in these formulations of our Nation's transportation priorities for this decade and the 21st century. This hearing is a welcome part of that process and Congressman Craig is happy that Idaho can play a significant role by hosting one of your committee field hearings.

Congressman Craig believes the following points to be important aspects of rural transportation: the North South Highway System; the transportation of hazardous materials; the quality of our highways; the safety of these corridors; access to health care facilities; the continual struggle for road funds between the West and the East, and rural versus urban. Today you will hear about these and other concerns important to Idaho.

I will touch on most of these. However, as a member of the House of Representatives' Committee on Public Works and Transportation and the only member from a rural western State, Congressman Craig is most concerned with the upcoming reauthorization of the Surface Transportation Act and what it will mean for large rural States like Idaho.

Of course, this is the act which authorized transportation programs to be funded, at least in part, with dollars from the Highway Trust Fund into which we all pay when we buy motor fuels. Basically, it funds our highways. Therefore, the majority of my remarks will center on this forthcoming Federal legislation and its potential effect on rural America.

As a member of the Idaho State Legislature in the mid-1970s, Congressman Craig was acutely aware of the only route in Idaho that links the north to the south, U.S. 95. Historically, in Idaho and other States, highways have been built to connect rural and urban areas. For years, our so-called farm to market roads have served as essential economic links to the world. This is no less true today.

U.S. 95 is Idaho's link to the outside world. From the Port of Lewiston, Idaho and other western States are able to ship goods to the vast markets of the Pacific Rim and other nations. However, the potential of the Port of Lewiston is far from being fully realized. This is partly because transportation to that port is not as good as it could be. While U.S. 95 has been improved significantly, there is definitely room for additional improvement to this old "goat trail" of Idaho.

With the completion of the East-West Interstate Highway System scheduled for 1991, there will be uncommitted funds available. There has been an abundance of ideas for the use of this money. Some say it should be applied against the Federal deficit.

Congressman Craig agrees with the vast majority of Congress that this should not be done. Excise taxes on gasoline should not be diverted. They must go for the purpose to which they were intended, transportation. Besides, one only needs to consider the experience of the last few decades to remember that new revenues are never used for deficit reduction. Congress spends them as fast as they can take them in.

Others say that the uncommitted funds should go to the population centers in order to relieve congested traffic. These areas, by and large, exist on or near the coast in large urban areas. Congressman Craig's great fear is that this mentality will leave interior States like Idaho wanting for funds. These States do not have a lot of people, but they do have a lot of miles of highway. Many of these routes run north to south, but are not in the superior condition that the Interstates are.

Congressman Craig is not necessarily advocating the establishment of a new North-South Interstate program. What he is strongly advocating is the identification and enhancement of existing north-south routes. Highways like U.S. 95, which runs from Canada to Mexico, will become increasingly important in the years to come.

People do not just move from East to West anymore. The dynamics of our economy points to the present and future trend that has many going from north to south. Therefore, we need to make sure that a fair share of the funds available after 1991 go for this purpose.

Congressman Craig has been working diligently to educate Members of Congress on this point and to draw together coalitions for advancing this necessary funding. In his role as a member of the

House Committee on Surface Transportation, he will be in a key position to determine the outcome of legislation which will re-authorize the Surface Transportation Act. Congressman Craig will continue to fight for rural needs in transportation, making sure that they are not overshadowed by big city demands.

Senator, this concludes my verbal testimony for Congressman Craig. The remainder of the Congressman's testimony is attached in writing for your convenience. If there are any questions regarding Congressman Craig's testimony, I would be happy to take them in writing and provide answers to you within a few days.

[The remainder of Congressman Craig's statement follows:]

Also of great importance to Idaho and other rural States is the transportation of hazardous materials. There are a great number of trucks and railroad cars that pass through our State carrying chemicals and other hazardous substances. Therefore it is critical that our emergency response efforts be second to none. Unfortunately, this is not always the case, with many response efforts nationwide being measured not in hours, but days.

In an effort to improve this situation, Congressman Craig brought two training seminars to Idaho last year to educate and instruct individuals on the nature of cleanup of hazardous materials. Conducted in Boise and Coeur d'Alene, these seminars were very well attended. (Some people were turned away for lack of space.) Congressman Craig has urged officials of the U.S. Department of Transportation to continue these important and necessary educational programs around the Nation.

In addition, safe roads lower the possibility of accidents involving hazardous materials and make routine automobile transportation much safer for Idaho's citizens.

Railroad transportation is important to our entire Nation and Idaho is no exception. Congressman Craig has worked to make sure that rail lines stay open for agricultural, forest, mining and other products to reach their destinations. As long as this demand exists among Idahoans, he will fight to guarantee that these lines stay open.

Safety is also a major concern when railroad transportation is discussed in Idaho. Some of the highest rates of rail accidents involving automobiles have been in Idaho. Efforts must continue to identify these trouble spots and make them safe for our citizens to approach and cross. Throughout the Nation, there is growing concern for our bridges. They are getting old, falling into disrepair and threatening public safety. The primary responsibility for attending to these bridges rests with State and local governments. However, under the Surface Transportation Act, there are Federal dollars allocated as well. Because of a serious urban/rural inequity, Idaho is especially handicapped in this area. Small States receive a minimum percentage of available funds while big States receive a much healthier share. Congressman Craig is interested in resolving this inequity by arriving at a new formula—one that will raise the minimum amount allocated to States while bringing the maximum number of dollars that any State can receive to a lower level. Without increasing Federal spending, there can and must be a better balance between urban and rural areas in funding the repair of our Nation's bridges.

Timber bridges have recently offered an alternative for bridge building and replacement that is viable, inexpensive, and advantageous to local economies that depend on the forest products industry. The U.S. Forest Service is currently working on a demonstration project in Boise County, Idaho which will simultaneously use local natural resources and labor. Congressman Craig will encourage rural areas to look into this option, as it has already proven effective in States around the Nation. In order to insure quality, safety and efficiency in transportation, we must work together and plan ahead. Congressman Craig has enjoyed a very good working relationship with the Idaho State Director of Transportation, Kermit Kiebert. Mr. Kiebert's department has been busy planning for Idaho's future transportation needs, and Congressman Craig is confident that they are working in the same direction for Idaho. This is an example of the sort of Federal/State partnership we must encourage.

Thank you for accepting this testimony and I hope that the concerns that I have expressed above will be considered in your formulation of a long-term transportation plan.

Senator Symms. Thank you very much.

We would like to welcome Larry Plummer from the Washington Department of Transportation. We are glad to have you here today. Please proceed.

STATEMENT OF LARRY PLUMMER, CONGRESSIONAL LIAISON, WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

Mr. **Plummer**. The imminent completion of the national system of Interstate and Defense Highways and the need to reauthorize the Federal-aid Highway Program are seen by many as an opportunity to explore new directions in the Federal role in transportation and formulate a new surface transportation program. As you are probably aware, the 50 States are currently involved in a consensus process for developing a national transportation policy.

This process, initiated by the American Association of State Highway and Transportation Officials, AASHTO, has been underway since February of 1987. It is also important to note the current efforts of the U.S. Department of Transportation to develop a national transportation policy through a series of public hearing and focused group discussions.

This is more than an opportunity. It is our shared responsibility to review the effective and the not-so-effective elements of current Federal-aid Highway Programs in the context of today's multimodal transportation needs and the increasingly inadequate sources of revenues. Through all of this, however, there should be the overriding thought that the Federal-aid Highway Program has been an example of the most effective Federal, State, and local partnership ever known. It has endured for over 70 years, and has produced a surface transportation system that is unparalleled in the world. While it is important that we review future transportation needs, transportation goals, policies and general program structures, we must not discard our successes nor abandon the stability of our current programs when simple fine-tuning will suffice.

Preservation of America's existing surface transportation system should be the primary goal of any future national transportation program since it is the system which provides the basic network upon which this Nation's economic health and international vitality depend. Highways, bridges, and transit systems in the Nation's urban and suburban areas should be maintained, preserved, and expanded where needed. Rural roads and supportive rail systems must be improved and maintained in order to preserve vital farm to market routes.

Congestion should be addressed through a balanced approach to increasing capacity and reducing congestion on the Nation's surface transportation system, including an appropriate mix of highways and transit and a thoughtful application of systems management technologies and demand management techniques. Economic vitality should be preserved and enhanced by rejuvenating blighted urban areas, supporting existing land uses, attracting economic development, and providing transportation for rapidly growing urban and suburban areas.

A system of national significance has been discussed, particularly within AASHTO. Such a system should be comprised of the existing 43,000 miles of Interstate System plus some 100,000 to 135,000 miles of existing and new principle arterial routes. This system of national significance should also address high-cost bridge projects, roads on Federal lands, and emergency relief needs.

One point on which my department differs somewhat from AASHTO is in the continuance of Federally funded local programs. Local road programs remain as an important element of the Federal role in surface transportation. The current Federal Aid Urban and Secondary Highway Programs provide a critical funding base for cities and counties.

A turn-back or block grant program would do almost nothing to meet the needs of large rural States. It is doubtful that support for block grant funding of local roads would continue in the long term, nor would local government support for the National Highway Trust Fund. Federal support of local road programs is also key to the maintenance of appropriate standards on the Nation's local road system.

Another key element of the Federal role would be that of research, planning, and technology dissemination. These functions are best provided at the Federal level, as the benefits will be shared nationwide. The impact of a national level program such as SHRP will be much more significant than fractionalized or duplicative State or local efforts.

Related to the research issue is the technology sharing and dissemination program. Education, training, and information sharing are the ways in which research and improved operational techniques are turned into useful, cost-saving activities.

It will also be essential to maintain funding for planning efforts related to the System of National Significance. It is that planning effort which will assure the most effective use of limited resources and efficient utilization of the Interstate and Primary Systems.

The Federal-aid Highway Program has worked well for the State of Washington. We appreciate the foresighted appropriateness of deliberating the shift from completion of the Interstate System to the preservation of the surface transportation system. The preferred result of these deliberations would be to continue the good program elements, fine-tune the not-so-good elements, but above all, maintain the long-standing Federal/State/local partnership in providing for the Nation's transportation needs.

Thank you very much for the opportunity to appear.

Senator SYMMS. Thank you very much.

What is the biggest need in Washington State for highway dollars? You mentioned rural roads—is it all across the board or is there any one area that is most critical?

Mr. PLUMMER. I could answer both ways.

Senator SYMMS. I am going to ask the same question for Nevada to see if there is a parallel.

Mr. PLUMMER. Close to the top of the list will still be Interstate completion because in 1991, we still do not see that we will have all the completion dollars we need. After successful completion of our piece of the Interstate, which is still sizeable in comparison to the rest of the country, our two largest problems are urban congestion and substantial rural road problems because of the abandonment of rail lines which forces truck traffic on to rural roads that are not holding up. So I guess the proper answer would be, across the board.

Senator **Symms**. What about Nevada?

Mr. **Dull**. I think we share some of the same basic problems as Washington. We have identified about $4 billion worth of needs over the next 10 years and only about $2 billion worth of funding under the most optimistic scenario.

We have many miles of freeway to be completed, although our Interstate System itself is complete. We still have U.S. 95 in Las Vegas and the extension of U.S. 395 or I-580 in Reno to complete, so we have an awful lot of needs and very little funding.

Senator **Symms**. We also have the joint problem of a better road between here and Wells, Nevada.

Mr. **Dull**. Right.

Senator **Symms**. That would be very critical for these two Interstates.

Mr. **Dull**. That's right.

Senator **Symms**. How is the speed limit working in your State?

Mr. **Dull**. It works very well. Right now, 55 miles per hour really means 70 miles per hour but still we manage to comply with the 55 mile per hour mandate.

Senator **Symms**. How about Washington State?

Mr. **Plummer**. I would submit a similar answer.

Senator **Symms**. I was asked a question by the local television station about some movement to reduce the speed limit back to 55. Do you find that there is any pressure in Nevada to bring it back to 55?

Mr. **Dull**. None at all. In fact, our recent accident statistics bear out the fact that the 65 mile per hour freeway system is working very well, with literally no increase in accident rates.

Senator **Symms**. How about in Washington State?

Mr. **Plummer**. We do not hear any support for reducing it.

Senator **Symms**. Have you had any additional accidents on the Interstate that are significant?

Mr. **Plummer**. Nothing appreciable.

Senator **Symms**. You mentioned that you were very skeptical of any changes or flexibility in specifications on design requirements for urban and secondary road systems. Are you saying that you do not want us to look for more flexibility?

Mr. **Dull**. I think we need more flexibility, but I think that whatever is done with the standards ought to be uniform, nationwide. There is certainly some flexibility that can be programmed into the current standards, but to do away with standards altogether would be a sad mistake.

Senator **Symms**. How about in Washington State?

Mr. **Plummer**. I totally agree. I think that the maintenance of those standards is the most essential element of the Federal-aid Urban and Secondary Programs.

Senator **Symms**. Flexibility with construction is a different matter?

Mr. **Plummer**. Yes.

Senator **Symms**. You both agree with that?

Mr. **Dull**. I think there is room for a lot of flexibility in the current program.

Senator SYMMS. But if we have too much flexibility in standards, does that give you concern about a liability problem?

Mr. DULL. As an example, what I would suggest is that when a State is doing preservation work, it may not be necessary to live up to the current Federal-aid standards. By the way, those Federal-aid standards are really AASHTO standards, so why we would speak against them as AASHTO, I have no idea.

Senator SYMMS. The Federal Highway Administration requires alternate bids for steel and concrete. Do you believe that this requirement results in additional costs or cost savings for construction of bridges?

Mr. DULL. I think that in some cases it is very appropriate. Especially in very expensive bridges, it may be necessary and beneficial to have alternate bids.

On an awful lot of them though, that determination can be made during the preliminary design stage, and I think it adds an awful lot of bureaucratic paperwork that is unnecessary in a lot of cases.

Senator SYMMS. Do you concur with that, Larry?

Mr. PLUMMER. Being a non-engineer, I defer to Garth.

Senator SYMMS. Have you had any experience in either Washington State or Nevada in building bridges with wooden piers as opposed to steel and concrete piers?

Mr. DULL. I do not believe we have.

Senator SYMMS. In general, I do not disagree at all with what you said about the trust fund and the amount of money. The tragic part of it is that there is an illusion out here in the public that somehow we have a trust fund in Washington, D.C. that, if you add the highways and airports together has close to $15 billion, and people view that as being a bank account with $15 billion in it. Unfortunately, the money has been spent already for other things and it is a paper account. It is not there, and it really is a tragedy, I think, that we are taxing people nine cents per gallon and we only give them back seven.

That has been one of my big objections with the Congress and I have been in the forefront of that fight. Let's spend back what we are taxing people for and then we can reappraise where we are. As you said, in Nevada alone, you have $4 billion worth of good, legitimate projects.

We had quite a flap last year over what they called demonstration projects. Your then Senator Hecht and I were two of the Senators that made it possible for the speed limit and the current highway program to pass, with a great deal of consternation in Washington. What is your position in the Nevada Department of Transportation and the Washington State Department of Transportation with respect to demonstration projects where Congress earmarks certain projects.

Mr. DULL. I would like to give a qualified response to that. First, I do not think we were ever for demonstration projects, but if that is the way the game is going to be played, then we want as many as we can get. There is no formula for allocating demonstration projects, as you know. It is whoever gets there first.

The other thing that we would support demonstration projects for is—unless we can all play on a level field for discretionary funds such as Interstate 4(r) discretionary—right now, Nevada can not qualify for Interstate 4(r) discretionary for a very important interchange on I-15. This is a good example of why we would like to make that a demonstration project. We can not qualify because we have too much money on the books. Yet we can not spend that money because of the obligation limitations. We were locked into a bonding program before that law was ever passed and, unfortunately, are unable to get our Interstate 4(r) balance down enough to be able to qualify.

Senator SYMMS. Is this the one in Sparks?

Mr. DULL. No, that was a demonstration project.

Senator SYMMS. We got that one done?

Mr. DULL. Right. The next one we need is Spring Mountain in Las Vegas. That is about $80 million, not something we will ever be able to fund with our normal apportionment. Unless we can play by the same rules and fair rules, and that is, when you are out of obligation authority, you should be considered out of money because you have no more to spend. If those rules were changed——

Senator SYMMS. If we had more flexibility, in other words, in allowing you to cross——

Mr. DULL. I think the law was written with the idea that there was no obligation limitation, and if that were the case, then it would apply fairly. Everybody could qualify. We could get our balance down and we could qualify like a lot of other States for discretionary monies.

The short and the long of it is that until we get to that point, I think we are still going to push for some demonstration projects—either that or no demonstration projects for anybody.

Senator SYMMS. Larry.

Mr. PLUMMER. We generally have not supported demonstration projects and we have not been terribly active participants in the drive for them. However, that is not to say that we will not be in the future.

We are getting some local pressure and some support from within our congressional delegation to go for some demonstration project money. As Garth said, I think that is driven by a shortage of availability of money that is already there. Again, in the past we have not been active participants, but in the future we may be.

Senator SYMMS. I was able to get U.S. 95 classified as a priority project a year ago. That gives our State Board a great deal of flexibility to take unobligated funds and use it on another project. The State Highway Board does it rather than having Congress start earmarking projects.

If I hear you right, you just want to have the ability that, if you have used up all of your obligation, then you can transfer it to another category and use it.

Mr. DULL. If you used up your obligation, there is no more money that you can spend out of any category.

Senator SYMMS. Then you could transfer it and use it.

Mr. DULL. Right, and one thing that was in the current bill is the unconditional authorization to transfer from the Interstate 4(r) to the primary. That is not the way it is being interpreted by FHWA, however.

In the year that you want to apply for discretionary funds, you can not transfer that money. As long as you have obligation limitations, it is still critical to be able to transfer that money to get your balance down. We would suggest, in the way of flexibility in the program, combining the Interstate and Primary since they are basically Interstate Routes anyway.

Senator SYMMS. After the last go-round in the Senate with respect to demonstration projects, I might just say that I think there is going to be extreme opposition to Senators starting to pick and earmark. I am certain that the House will have a big list of demonstration projects, but there is going to have to be some resolution.

This is going to be a big issue again in the next highway bill, and I do not believe that the Senate Committee on Environment and Public Works as a committee is going to have a great deal of resistance to anyone putting a demonstration project in the bill. Then we get back to the point that you made that you are against them philosophically, but if anybody else has got one, Nevada wants one, too. That is a very difficult political problem to resolve.

Thank you all very much. I appreciate your being here.

Our next panel consists of Ralph Peters, the President of the Association of Idaho Cities and a State Legislator, and Mr. T.J. (Ted) Hackworth, Councilman, City and County of Denver, Colorado and Immediate Past President and Chairman of the Transportation Task Force of the National Association of Regional Councils. That is quite a handle you carry.

Mr. HACKWORTH. Yes, it is.

Senator SYMMS. Welcome here.

Incidentally, Mr. Hackworth, we are glad to have your Senator Bill Armstrong as a businessman in this community. He has a television station based in Pocatello that has a transmitter here in Twin Falls that has recently opened up. We are delighted to have him here, and delighted to have you here today.

Ralph, it's nice to see you. Please proceed.

STATEMENT OF RALPH PETERS, PRESIDENT, ASSOCIATION OF IDAHO CITIES

Mr. PETERS. Senator, I am going to just read part of the statement this morning.

We stand today at the beginning of a new decade, the dawning of a new century, and the beginning of a new age. We can safely say that the post-war era is over and the National Defense Highway System is complete. It is time for a new focus in our transportation planning. The notion that this plan has to address at least the six market cluster identified is appropriate.

There is a very real need for public transportation for the elderly and the disabled. This too is an area of special consideration, but today I would like to focus my remarks on the needs of this area and to a larger extent on the needs of Idaho.

There is a steady stream of logging trucks delivering their cargo to the sawmills in the river valleys or to the Ports of Lewiston and Clarkston for shipment by barge downstream to the Pacific Rim market. All day long a steady stream of semi trucks pulling trailers loaded with wood chips from the sawmills located in northern

Idaho to Potlatch's huge paper mill at Lewiston where trees are converted into all types of paper, from toilet tissue to container board. This paper is shipped from Lewiston all over the world.

There are three ports located in the Lewiston-Clarkston complex with the Port of Lewiston being the most inland seaport in the United States. Cargo arriving at this port is reloaded on barges bound for the downstream points, for Portland, Oregon, or for shipment to the Pacific Rim Countries.

Bread is made from hard red wheat, which is grown in the Dakotas and in Montana. There is a demand for the wheat on the West Coast and in the Pacific Rim Countries.

To get this product to market, a stream of trucks flow from the Dakotas and Montana down the Locksa River in Idaho into the Port of Lewiston. There the grain is loaded into barges and shipped down the Snake and Columbia Rivers to its destination points.

The Palouse section of northern Idaho has some of the finest agricultural land in the world. Dry land farming routinely yields 80 bushels of grain to the acre of soft white wheat. The area grows a quantity of malt barley and 90 percent of this country's dry peas and lentils.

The wheat is primarily shipped from the West Coast and is used in noodles and cereals. The bulk of the lentils are shipped by rail east and out of the Gulf Coast ports with a high demand for them in the Middle East.

All around you, grow beans, corn, potatoes, and sugar beets in addition to the feed crops for the dairy and beef industry. Southern Idaho and the Columbia Basin in Washington provide potatoes and sugar and these other products to a world market.

Northern Idaho produces tons of grass seed annually, and in the west are the famous orchards of Washington and Oregon. Who can discount the beef of Montana and Wyoming as a source of food for the nations of the world?

In the scheme of the world economics and particularly in agricultural products, contributing positively to our balance of trade payments, the Pacific Northwest plays a vital role. The products have to get to market. You have to recognize the national importance of a system of highways that delivers these farm products to the ports for shipment to worldwide locations.

Years ago we made the mistake of dictating the privatization of the railroads and made all of the vehicle roads and highways public. We have since adopted a national policy of subsidizing freight shipments on our highways at the expense of a healthy railroad system.

Today, the railroads in our country are being removed, abandoned, and scheduled for abandonment. Our Congress has approved this program and we have to plan our transportation future, knowing full well, that only the main lines of our historic railroads will remain and that only those feeder lines capable of being operated with profit by a short line system will survive.

At the same time, national policies are being made that dictate large capacity trucks and truck and trailer combinations on our highways. This creates a double impact on our roads in that it increases the size and the number of trucks, reducing the life of our roads and the length of the trucks reduces the ability to pass safely on two-land routes.

Any national highway policy has to recognize the concept of the western States being bridge States. You can not get from the East to the West Coast without going through Wyoming, Montana, Idaho, Utah, or Nevada. Generally, we do not represent a destination, but rather a land to cross. We are a bridge from one part of this country to the other.

Idaho could probably get along without an Interstate with only one million people. Certainly Wyoming's half-million or Montana's three-quarters of a million people do not need an Interstate System. However, the rest of the Nation does need an Interstate System through the western States. This concept must be incorporated into the new national policy because, not only can we not afford to build Interstate Systems on our own, but we can not even afford to maintain those that exist today.

The theory has been put forth that we have to look at existing businesses, our citizens, and our own tax base to fund future roads. That idea is fine for someone in Rhode Island, but we are in Idaho. Several of the counties in Idaho are bigger than the State of Rhode Island, and our average county population is less than 25,000 people.

Recognition has to be given to the public land holdings in the western States. The Federal Government owns more than 60 percent of Idaho. There is no way that the citizens of this State can subsidize the Federal Government's land holdings, and we certainly can not tax them.

The Federal Government, through its funding of rural American roads, has to consider the ability of the citizens in that State to pay. I submit that if you want to preserve large blocks of land for national parks, national wilderness, and game preserves as a national resource, then the public in the form of the Federal Government needs to get its check book out. These national public areas have to be served with roads, and roads have to be maintained.

In summary, there is a proper role for the Federal Government in the Nation's system of roads and highways. National standards are important to the motoring public. Recognition has to be given to providing farm to market roads for agricultural products and the natural resources produced in the West.

The massive land ownership of the Federal Government has to be a factor in allocating funds. The public has to be willing to pay for the privilege of crossing the western bridge States. Federal funds are absolutely necessary for the maintenance of the Interstate System and our primary roads. A national effort is necessary to bring our bridges up the standards that will carry the truck traffic we expect to use our roads.

Thank you.

Senator SYMMS. Thank you for an excellent statement.

Mr. Hackworth, please proceed.

STATEMENT OF TED HACKWORTH, COUNCILMAN, CITY AND COUNTY OF DENVER, CO, AND IMMEDIATE PAST PRESIDENT, NATIONAL ASSOCIATION OF REGIONAL COUNCILS

Mr. **Hackworth.** Good morning, Senator. Thank you very much.

My name is Ted Hackworth; I am a City Council Member for the City and County of Denver, Colorado. I am also the Immediate Past President of the National Association of Regional Councils and Chairman of NARC's Transportation Task Force.

I applaud your desire to seek the views of regional and local officials as you prepare for reauthorization of the Federal-aid Highway Program. I appreciate the opportunity to appear before you today.

NARC is a membership organization representing the Nation's 600 substate regional councils, where local governments work together on comprehensive approaches to issues that span jurisdictional boundaries, such as transportation access and mobility. Many of our member councils are designated as Metropolitan Planning Organizations.

This morning, I would like to tell you why we believe a continuing Federal role in surface transportation is critical to the Nation's future economic health and describe the basic shape that we think the future highway program ought to take.

NARC is a member of the Transportation Alternatives Group, which is a group made up of 12 public and private organizations. Last Spring in Washington, D.C., we put on a seminar on what we can expect in the year 2020 in technology and needs to form the basis for each of us then going forth and developing a program of what we think the Post-Interstate Highway Program should be.

This morning you heard some of the people discuss the AASHTO proposal. That is one of the 12 proposals that will be on the table, which this group will attempt to derive a consensus of opinion from. The staff of these groups have been meeting now for the past year and a half and the policy officials will meet in October in Baltimore to try to develop a stronger consensus of opinion.

Let me tell you today what NARC has developed as a position for the future Post-Interstate Program.

First, the role of the Federal Government is very important, and it must continue to play a significant role in meeting our transportation needs. The Nation's economic vitality is at stake. Our metropolitan and rural communities are the Nation's basic economic building blocks. Gridlock and rural isolation are not a prescription for economic health and well-being.

The second issue is the structure of the current Federal-aid Highway Program. We can not expect to make the kinds of transportation investment decisions that we made in the past and still adequately provide for and manage our mobility needs.

The new Federal-aid program must recognize and support the concept of a single integrated transportation system designed to match travel demands irrespective of facility ownership or jurisdictional boundaries. The new program must also provide flexibility to enable each region to fashion solutions unique to its demographics, development plans, and networks.

For a more flexible, comprehensive approach, we propose that the myriad of current Federal-aid Highway and Transit programs be consolidated into a three-tier program. The three basic tiers would include: an Interstate Preservation component; a Strategic Metropolitan System component; and an Interregional Rural System component. In addition, we recommend retention of separate bridge and safety programs and the establishment of an economic enhancement program to provide discretion in funding projects that meet the special economic needs of some areas.

Recognizing the continuing predominant Federal role and responsibility for the Interstate System, we suggest that the Federal Government continue to assume the primary funding responsibility for maintenance of the Interstate System. The States would continue to administer this program much as they do today.

The Strategic Metropolitan System would be defined through an enhanced State/regional/local intergovernmental process based on national criteria. The system we envision would encompass the principal roads and transit routes in the metropolitan areas, including key interconnections with the Interstate and actual expansions or extensions of the Interstate.

Maximum flexibility and a comprehensive systems approach will foster investment in those projects that will most effectively meet the goals of mobility, access, and economic development. The new program will enable choices to be made between highway and transit options and between capacity expansion and system management strategies. These choices will reflect local priorities for land development, environmental protection, and mobility needs, as well as Federal and State concerns and priorities.

The Interregional Rural System would also be defined through a partnership of State, regional, and local officials. The system would include the principal highway and transit facilities and services outside the metropolitan areas, including both statewide, interregional, and rural access facilities.

The third issue, equally important as changes to the Federal-aid Program structure, is the intergovernmental decision-making process. We believe that the new program must incorporate a decision-making process that will strengthen existing Federal/State/local relationships.

First and foremost, all stakeholders must be included at the decision-making table. If our transportation system is to meet our future needs efficiently and cost-effectively, we can no longer afford to leave key players out of the decision-making process. If we hope to address barriers to economic vitality, such as congestion, inadequate access, and rural isolation, we must have a better linkage between transportation investments and the basic land use and economic development decisions which are formulated and implemented at the local and regional level.

We recommend a strengthened metropolitan transportation planning process. Specifically, we see project initiation and programming decisions for investments in the Strategic Metropolitan System being made at the metropolitan level by each region's key players: its local elected officials and representatives of the State, transit providers, industry and business, and others in the private sector.

We also envision a new rural planning process akin to the current planning process in the metropolitan areas. This new rural transportation planning process would assure the investment decisions are consistent with and reflect local and regional development priorities and needs.

Senator, those are, in a nutshell, our suggestions. Additional detail is included in the document I brought for you. I respectfully request that this document, as well as my statement, be included in the hearing record.

Thank you. I appreciate the opportunity to share our ideas with you. I would be happy to answer any questions.

Senator Symms. This additional material will be made part of the record. (See p. 72.) Thank you very much for a very thoughtful statement.

Senator Symms. You mentioned three basic tiers: Interstate Preservation component—I think everyone pretty well agrees on that—a Strategic Metropolitan component, and an Interregional Rural System component. When you say interregional, how big is the region?

Mr. Hackworth. The region would be an area reflective of the geographic organization of regional councils. These regions really are geographic and economic-based delineated by the area within which jurisdictions can work together homogeneously.

Senator Symms. One of the complaints I hear occasionally is that out in the local highway districts, somewhere in a rural area or in a mining town, people think that all the money for the roads goes to the area around Denver. Is that an ongoing fight, and do you think that this third point is your way to prevent that, so the highway districts will get some of these dollars?

Mr. Hackworth. No, actually in Colorado, the urban districts get the least amount of money as far as our system is concerned.

Senator Symms. Guess where he lives.

Mr. Hackworth. Our concern is that in making a decision on rural highways or urban highways, that the inclusion of the regional governments in the decision-making process is not now necessarily built in to the process. We encourage a system that would see all the players being brought to the table at the same time, which we think does not happen today.

Each county submits their issues to the Highway Commission, and they then make a decision. We think there ought to be a partnership arrangement.

Senator Symms. Ralph, are you on the Transportation Committee in the House?

Mr. Peters. No Senator, I am not.

Senator Symms. I was just curious about how the gasohol exemption works in Idaho with respect to the State highway funds.

Mr. Peters. I can't answer your question.

Senator Symms. I am sure my staff probably knows, but it is a struggle, and those of us from the rural agricultural areas are very interested in alternate fuels. However, we do have a conflict of ideas, being short on road dollars and short on any kind of exemption that is granted. It is costly in the long run to the overall transportation needs.

I note that in Denver you have had quite a controversy over the airport, to say the least.

Mr. Hackworth. Yes.

Senator **Symms**. The status of that is that the airport is going ahead, is that correct?

Mr. **Hackworth**. It is very dependent on the Congress' willingness to provide funds to get us started.

Senator **Symms**. Out of the Airport Trust Fund?

Mr. **Hackworth**. Yes.

Senator **Symms**. And of course, some money out of the Highway Trust Fund.

As we complete the Interstate, do you perceive, in a big metropolitan area like Denver, that the other roads will connect to the Interstate? Are you asking to add anything else to the Interstate?

Mr. **Hackworth**. No. We think that most of the problems in rural areas are intrastate in scope rather than interstate, so it would be better if a decision were made to increase the capacity on a local basis rather than trying to expand the Interstate per se.

Senator **Symms**. Anything else you wanted to say, Ralph?

Mr. **Peters**. On the standards for the roads—I think that one of the problems we have got ourselves into is the fact that we have designed the road for a certain number of pounds per square inch load on a truck, and then we have upped the loading of the tire of the truck and allowed the truckers to blow that tire up to where it is running on the center so it does not have so much friction. Thereby, they can move better; thereby, destroying our roads.

I think we need to have that standard high enough, and then not raise the truck limit above that, and then have a little more control over what pressure there is in their tires.

Senator **Symms**. Have you made any investigation of the rock clearing on the Interstate? That is a question we are going to discuss tomorrow when the Idaho DOT testifies.

Mr. **Peters**. There was a lot of talk about the projects outside of Jerome and the one other——

Senator **Symms**. One of the concerns people have is that if you get on the freeway and drive from here to Boise, once you get down to about Glenns Ferry, the road is really rough to Mountain Home. Yet, there has been a lot of money spent up here on the middle of the road for clearing rocks instead of spending the money improving the road.

Mr. **Peters**. That's true, and that's the subject of the conversation. They think that money should be spent——

Senator **Symms**. Of course, that is the result of Federal Safety Standards.

Mr. **Peters**. I understand that, too. But the public still does not understand why the safety standards should take preference over the road standards.

Senator **Symms**. I think the public probably understands it pretty well. It is the entrenched, inflexibility of the whole system that makes it hard to get accommodated.

Thank you both very much for your testimony.

Our next panel consists of Mr. James Madara, President of Fleming West and Western Regional Vice President, American Road and Transportation Builders Association; Mr. Parke Garrard, Managing Director of the Idaho Motor Transport Association; Mr. David Bivens, Director of Public Affairs for the Idaho Farm

Bureau; and Mr. Kent Just, Executive Vice President of the Twin Falls Chamber of Commerce.

Gentlemen, we welcome you here to the hearing and appreciate your willingness to come here to help us know which way we want to go when the new highway program starts.

Mr. Madara, why don't you start?

STATEMENT OF JAMES R. MADARA, WESTERN REGIONAL VICE PRESIDENT, AMERICAN ROAD AND TRANSPORTATION BUILDERS ASSOCIATION

Mr. **Madara**. Thank you, Senator.

On behalf of the American Road and Transportation Builders Association, I am pleased to testify before this subcommittee on the reauthorization of the Federal-aid Highway Program. For the record, I am James R. Madara, President of Gannett Fleming West Incorporated in Los Angeles, California.

I am currently Western Regional Vice Chairman of ARTBA, a Washington, D.C. based trade association that has provided representation for the transportation construction industry since 1902. Our more than 4,000 members nationwide come from both the public and private sectors. We represent not only construction firms, but also state and local transportation officials, manufacturers, engineering and design firms, material suppliers, and educators in the fields of transportation planning and civil engineering.

ARTBA believes that the decisions made by Congress regarding the forthcoming reauthorization of the Federal-aid Highway Program will have a direct impact on our Nation's safety, mobility, economy, and defense preparedness in the next decade. The organization is also concerned with ensuring that the monies paid by American motorists are spent in a timely manner for their intended purpose, making necessary improvements to our surface transportation network.

Current investment in our surface transportation system is simply not sufficient to finance the existing road and bridge improvement needs and to keeping pace with necessary and capacity expansion. This would be true even if revenue raised for the Highway Trust Fund were being spent in its entirety. Reduction of the current trust fund balance is the first step. More than this, however, is required if growing transportation needs are to be met.

Dozens of credible studies, including those conducted by the U.S. Department of Transportation, show that America's transportation infrastructure is failing. While these studies vary in their needs assessments, a bare minimum of $80 billion per year would be required just to maintain existing physical conditions of our Nation's highways, roads, and bridges.

But maintaining the status quo should not be our goal, for existing conditions are unsatisfactory. About 22 percent of U.S. bridges are currently classified as structurally deficient. One-quarter of our Interstate mileage is now rated in either fair or poor condition. Other road surfaces on the primary, secondary, and urban systems fare little better.

Just as a well-functioning transportation system makes a positive contribution to the U.S. economy, a failing network of roads and bridges stifles our economic growth and increases the costs of moving goods and people. These costs are ultimately passed along to the American public.

While state and local governments, and increasing the private sector, will have to shoulder some of the burden in getting our surface transportation system up to speed in the 1990s, ARTBA believes the Federal Government will also have to expand its financial support and continue to maintain a leadership role in order to meet these pressing needs.

ARTBA believes that in the next reauthorization cycle of the Federal-aid Highway Program, the Federal Government should increase substantially its investment for repairing or replacing deficient roads and bridges and expanding capacity to meet our growing transportation needs. The current $14 billion per year level of investment will not be sufficient to get the job done.

The Federal Highway Administration, in a document released last November, states that an annual Federal-aid Highway Program of $40 billion is needed to return our highway system to its designed level of serviceability. ARTBA concurs in this analysis.

This level of funding can only be achieved by increasing user fees on motor fuels at the Federal level, repealing the existing excise exemption for gasohol products, closing fuel tax collection loopholes, and drawing down on the massive unexpended balance in the Highway Trust Fund to finance this expanded program. ARTBA's Board of Directors has initiated a policy statement on the reauthorization of the Federal-aid Highway Program. The policy recommends such a substantial increase in funding as discussed earlier.

A highway program of $40 billion is proposed by the ARTBA Board for presentation to Congress when the 1991 reauthorization is under consideration. ARTBA asks that the subcommittee give careful consideration to the issue of needs versus funding presented in ARTBA Policy Statement on Highway Program Reauthorization when formally presented to Congress later this year.

Accordingly, ARTBA believes that the Federal-aid Highway Program should be removed from the unified Federal budget since it is essentially self-supporting—knowing that there are certain monies in both the Highway Trust Fund and the Airport/Airway Trust Fund that are not getting to the immediate needs that the American people intended when they paid their taxes.

Another method of raising revenue for the surface transportation program is to repeal the gasohol subsidy. Vehicles powered by alternate fuels inflict the same damage on roads and bridges as those running on regular motor fuels.

Finally, in order to secure maximum funding for surface transportation programs, it is essential that Congress reject any attempts to increase the federal motor fuels tax for non-transportation purposes. While proposals to increase the gasoline tax for deficit reduction were not successful this year, the Congressional budget and tax committees will no doubt revisit this territory when preparing plans for fiscal year 1991.

The Federal Government should continue its commitment to the Interstate System by providing sufficient funding to complete the system on schedule, maintaining its existing infrastructure, and expanding capacity where warranted. ARTBA also recommends an increase in Federal funding for Interstate 4R programs. ARTBA believes that renewed attention and financial support should be given to decreasing urban/suburban congestion and expanding capacity on existing roadways that are now subject to greater-than-anticipated traffic.

ARTBA also believes that Federal funding for the bridge replacement and rehabilitation program must be increased substantially. We support Federal funding for new transportation corridors in the high-economic growth areas not currently served by the Interstate System. The Nation's rural and secondary roads should also be upgraded, with some financial support coming from the Federal Government.

Finally, in order to meet financing needs that will outstrip the resources of Federal, State, and local governments, ARTBA believes there should be increased emphasis on such funding alternatives as mixing toll funds with Federal-aid monies and increased privatization of road and bridge ownership.

This concludes my testimony. ARTBA appreciates the opportunity to present our views. Thank you.

Senator SYMMS. Thank you very much.

Mr. Garrard.

STATEMENT OF PARKE GARRARD, MANAGING DIRECTOR, IDAHO MOTOR TRANSPORT ASSOCIATION

Mr. GARRARD. Good morning. I am Parke Garrard, President and Chief Executive Officer of the Idaho Motor Transport Association, which is a non-profit corporation with more than 300 members. We were founded 55 years ago, and our organization represents virtually the entire spectrum of trucking in the State of Idaho: agricultural haulers, independent owner/operators, private and for-hire trucking operations.

All Idaho communities depend on trucks to transport agricultural products and manufactured goods to market, as well as to bring in essentials from other parts of the country. Over three-quarters of Idaho communities depend exclusively on trucks.

With the beginning of the Interstate program 33 years ago, Idaho producers were able to reach new regional and Interstate markets. Today with the completion of just the first phase of highway transportation, our sights are moving on to international markets.

As the needs of our local economy grow and change, trucking is responding with more specialized service, flexibility in scheduling, and with attention to shippers' increasing need for timely deliveries. Indeed, trucking is uniquely suited to respond to the character of Idaho's future agricultural and industrial development.

Like many neighboring States, Idaho's economic future depends on maintaining a strong Federal Highway Program to ensure a top-quality network of roads and bridges. Only a Federal program can ensure connectivity among States and use of appropriate design and maintenance practices.

We should regard our national highways not as monuments, once completed to remain static, but as support systems that require maintenance, rehabilitation, upgrading, and expanding. The safety and capacity lessons of the Interstate System need to be applied to other major roads.

Our association supports the continuation of a high level of Federal funding for a system of top-quality roads; the Interstate System and important principal arterial highways which are major connectors. This is where it is critical to concentrate Federal aid.

We also support increased Federal funding for lesser rural connector routes and important bridges to ensure improved rural mobility. Federal support for major projects on secondary and local rural roads must continue to be a key element in the Federal program. Recognizing that there are a variety of needs in different parts of the country, we believe the Federal program should provide sufficient flexibility to allow each area to meet its highway needs in the most efficient manner possible.

The Federal/State partnership in transportation has served our country well over several decades. We are certainly not advocates for any change in that partnership.

As I have indicated, continuity in highway design is a desirable goal, but many encumbering provisions applied to States under our current program have a less-than-desirable result. More direct transportation benefit from each transportation dollar can be achieved through the simplification of Federal requirements. High mileage State with low traffic volume, like Idaho, require continued fund distribution by a formula ensuring national support for our Federal-aid network while returning the bulk of tax revenues to the State's origin.

We urge that the user-financed Federal Highway Trust Fund be made permanent, that it be spent on highways, and that the trust fund balances be drawn down as soon as possible to fund a larger Federal program. It is becoming increasingly apparent that our highway needs exceed our income, but the industry strongly advises that the trust fund balance be fully used before considering additional revenue demands.

We support the current Federal taxing scheme and oppose a weight-distance tax such as that imposed in Idaho, to be applied on a national basis. Three of Idaho's neighboring States repealed weight-distance taxes just this year because the tax is both inequitable and costly to administer.

We vigorously oppose any diversion of trust fund revenue for deficit reduction or for cross-subsidy of other modes. Our industry has repeatedly shown its willingness to pay its fair share of user fees, but the user fee principle must be diligently applied to other modes as well. Cross subsidies encourage investments that have little or no economic justification.

Nor can we support reduction of user fees to support alternative fuels production. There is no difference in the demand placed on the highway system between a vehicle fueled by diesel and a vehicle burning an alcohol fuel. If it is necessary to encourage of alternate fuels for energy conservation or clean air purposes, the benefit derives to the entire population and should be funded from the general tax base.

In a renewed national highway program, truck safety measures must continue to have strong Federal participation and backing.

Continuation of the Motor Carrier Safety Assistance Program as well as programs aimed at substance abuse, are essential.

Like many others in the highway community, the Idaho Motor Transport Association believes the Federal Government needs to make a long-term commitment to investment in highway research. We are encouraged by the current interest in developing intelligent vehicle highway systems and hope that motor carriers will be included in its concepts. We still have a great deal to learn about technologies to enhance safety, as well as a greater equipment productivity and more economic and improved pavements.

In stark contrast to its relation to the economy and the tax investment of the trucking industry, stands the Federal research and development budget for trucking. Truck-related research constitutes less than one percent of the total R&D budget for the Department of Transportation.

Preliminary research indicates that the economic benefits and reduced transportation costs of greater truck productivity far outweigh the cost of highway improvements needed to accommodate more efficient trucks. Encouraging greater productivity in trucking, part of the national assembly line, is critical to our national competitiveness. Trucking productivity means not only more efficient vehicles, but greater conformity in sizes and weights, and Federal guidelines for routing of sensitive cargo.

To conclude, I want to thank you for the opportunity to speak before you this morning and ask you to add a strong voice in favor of mobility and efficiency in the transportation debate. To ensure its strength and prosperity in future decades, we must renew our commitment to a sound Federal-aid Highway Program supported by the Federal Highway Trust Fund. We must guarantee our freedom of highway transport, which is truly the envy of the world.

Thank you.

Senator SYMMS. Thank you very much for an excellent statement.

David Bivens, welcome.

STATEMENT OF DAVID BIVENS, DIRECTOR OF PUBLIC AFFAIRS, IDAHO FARM BUREAU FEDERATION

Mr. BIVENS. Thank you, Senator.

My name is Dave Bivens; my home is in Meridian. I am Director of Public Affairs for the Idaho Farm Bureau Federation and am here representing them today. Our organization currently has a membership of 29,000 farm and ranch families and others who support our philosophy.

Idaho covers an area of 82,677 square miles of land. Our State population is approximately 1,005,000 people. Nearly one-third of this population resides in Ada and Canyon Counties. Twenty percent of the State's total population resides in Ada County alone.

It is not hard to conclude that there are a lot of sparsely populated areas in our State. Two Idaho counties still have less than 1,000 people each. These conditions add up to a critical need for good highways and roads to travel through and around this remote State.

The completion of I-84 across our State has definitely reduced the time and strain to travel from one side to the other. We are a bridge State with most of the cross-country motor traffic going from west to east and back, traveling through Idaho.

With the east-west routes across our State nearing completion, our new construction priority should now be focused on the north-south routes. Updating the status of I-15 to freeway status has certainly eased the pressure on the eastern part of our State.

However, the north-south route on the western part of Idaho, with our new main routes, Highway 95 and Highway 93 out of Twin Falls, are in need of improvement to be satisfactory. Cost of reconstruction of some of this route could be more expensive than the Interstate construction.

Idaho Farm Bureau Policy urges improving of the north-south route. We would like to make the following recommendations: that Federal highway funding be maintained at an equal level using basically the same formula; that the 92 percent Federal matching formula be allowed for use in reconstruction and improvement of these secondary north-south routes and for maintenance and restoration of the Interstate System; and that there be a strengthening of the matching funds for counties and cities to replace bridges and to repair roads and streets.

Agricultural marketing is extremely dependent on the highway system and especially in western Idaho on Highway 95, for routing commodities to Idaho's only seaport at Lewiston. Idaho Farm Bureau strongly supports continuing appropriations of Federal funding to maintain and improve our roads and highways.

Thank you.

Senator SYMMS. Thank you very much, David, for that excellent statement.

Mr. Just, please proceed.

STATEMENT OF KENT JUST, EXECUTIVE VICE PRESIDENT, TWIN FALLS CHAMBER OF COMMERCE

Mr. JUST. Senator, thank you very much for the opportunity to speak today.

My name is J. Kent Just and I reside here in Twin Falls across from the campus at 192 Crestview. I am the Executive Vice President of the Twin Falls Area Chamber of Commerce and I speak today for the Chamber, the Chamber's Governmental Affairs Committee, and the Subcommittee on Transportation. We are vitally interested in the future of our Nation's highways and have some particular concerns to share with you about areas here in south central Idaho which, in our opinion, are needing great improvement.

We have a bridge here in town that is in dire need of replacement. I will not go into a lot of detail about what we call "The Singing Bridge" because I think there will be a presentation later by the City's Engineer, but there is a critical need there. We do want you to know that replacement of that bridge from a safety standpoint is indeed at the top of the needs list in this community.

The State Transportation Department tells us that on a scale of 1 to 100, that bridge rates between 2 and 4, which is pretty close to collapse as far as we are concerned. Yet, it goes into our most important industrial community. If we do not have that bridge replaced or an alternate bridge built while it is being replaced, it will shed some real problems on the rest of the community in delivering commodities.

Interstate 84/86 traveling east and west through Idaho is now complete. We are enjoying the ease of access to and from destinations along that route. We can also travel easily to Utah on I-84. But our most important markets are those in California, which means that our truckers must travel Highway 93 to Wells to catch I-80 going west or south on Highway 93 to catch I-15 into Southern California.

Highway 93 simply cannot adequately handle the current traffic demand and will see even greater pressure in the future. There are currently approximately 3,500 trucks traveling Highway 93 every week. That is an average of 500 per day with a high-side figure approaching 1,000 in any given day. When I-15 was closed through Salt Lake City for some construction or for bad weather problems, that number will jump to 1,500 or more trucks per day, since Highway 93 is the only feasible alternative to I-15.

It is some 25 miles shorter for Canadian truckers to go through Salt Lake on I-15, and yet, they prefer to come this way, down Highway 93. They say that it is actually a little faster and fuel is a little cheaper. Highway 93 is, interestingly enough, the choice of fruit haulers from western Idaho, including some from the Symms Fruit Ranch, and even from western Washington—they actually prefer to come this way in many instances rather than going down I-5—and countless businesses in south central Idaho who know their most important market is California, are using that highway daily.

There is no good north-south access between I-15 and I-5. An improved Highway 93 would make it much easier for us to get produce and goods to lucrative markets, for vacationing travelers heading to Idaho and other States and Provinces to travel north, and for Canadians and others north of us to travel south to Nevada and California for their vacations.

We do not argue that the State Highway Department calls Highway 93 south of Twin Falls, which is 16 to 18 feet wide, the widest two-land road in Idaho and maybe the best one they have. However, sight restrictions are a real problem and the sheer volume of traffic makes our request for a four-lane highway linking I-84 at Twin Falls with I-80 at Wells a reasonable and prudent one, as you have previously stated. The increase in both safety and commerce makes the need greater than would improvement on almost any other road in Idaho and goes a long way toward providing adequate linkage between the two aforementioned Interstates.

We can provide documentation from any number of users verifying the critical need, and the Department of Transportation will verify the counts and statistics. I am including letters compiled over the past three or four years that support our position, as well as a copy of testimony before the Idaho Legislature earlier this year on that matter.[1]

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[1] The material referred to has been retained in Committee files.

As supportive as we are of efforts to improve Highway 95, we are convinced that improvements requested for Highway 93 may well hold even more significance to Idahoans and others previously mentioned than would improvements to Highway 95. Frankly, Senator, our north-south highway in Idaho and many other western States, including Nevada, are woefully inadequate.

We understand the accounts system from the National Highway Administration. We also understand that there are certain funds separately earmarked for construction, maintenance, bridges, and safety. We understand—we don't necessarily agree with the concept. We would not mind seeing a little change there.

In addition, we do not agree that holding back funds to make the deficit look smaller is a good plan. We are the users of the system and we are the taxpayers who support it. We want you and your Washington colleagues to know that much-needed projects like those I have outlined for you today deserve support. We urge you to push ahead immediately to add those lanes and to do whatever else is necessary to meet our growing transportation needs here in south central Idaho.

Thank you for the opportunity to speak today.

Senator Symms. Thank you very much for an excellent statement.

I have one question that I want to ask each of you on the panel. It is more or less a philosophical question.

Jim, you brought up the underfunding problem, where we are spending $13 to $14 billion Federal dollars per year, and we need to be spending more. If we increase the Federal program to the amount that you suggest, to $40 billion, we would need to raise the Federal Fuel Tax by about 25 cents per gallon. Under the current circumstances, I am wondering: would most of your members like to see us spend what is in there first, before that happens, or do you just think that is a philosophical point that we are falling behind, and you just want to make a point out here so that people realize what is happening?

Mr. Madara. At the ARTBA Board Meeting in June, with a good cross section of the industry present, it was recommended that we use what is in place now but go for an additional user fee increase sufficient to get that up to the $40 billion program mentioned in my testimony.

Senator Symms. Those Gramm-Rudman and balanced budget guys would have a heyday with $25 billion and only spending $15 billion. Additionally, they would have about $20 billion to put into the equation, so they could spend more money on something else.

Mr. Madara. We are trying to get it outside the Gramm-Rudman Deficit Reduction Plan.

Senator Symms. I have been leading the fight in the Senate to do that. I think we have a chance eventually to get that done. It is very difficult under the balanced budget environment in Washington to get it done. We are running into a buzz saw at times.

Parke, we were together last week at the convention of the Idaho Motor Transport Association, and I noticed that you elected a new president who is not what you would call a big-time, typical American Trucker Association trucker with 50 or 100 trucks in a fleet. He runs four trucks and hauls cattle.

How do you think the membership in your association would take to a 25 cents per gallon increase on diesel fuel, over and above what they pay now?

Mr. GARRARD. I do not believe that any of the industry will really take to it. But then you have to come down to facts and recognize where the needs are. If you can get a draw-down on what we have in the trust fund now and ensure that the funds that are brought into the fund in the future are not taken for deficit reduction or put into other areas that are not strictly highway-related, you may find some acceptance, not only in Idaho but across the Nation.

Senator SYMMS. How about the membership of the Farm Bureau, Dave?

Mr. BIVENS. Senator, the Farm Bureau has been pretty firmly opposed to this type of policy, simply because, as I mentioned in my statement, the expanse, the distance that our members travel to and from their shopping locations as well as the distance they have to go for transporting their commodities, makes it a very inequitable arrangement. In a highly populated State where folks ride urban mass-transit and drive their car very few miles in a week and compare that to a lot of our people, who travel 200 miles sometimes just to buy parts for their equipment. It makes it quite costly for those people to put that load on their shoulders.

Senator SYMMS. What about your membership, Ken?

Mr. JUST. Senator, last winter when there was the rumor going that there would be a 50 cent surcharge on fuel to lower the budget deficit, I had one service station operator who called me and said, "If anything like that happens, we will have to shut down." They shut down anyway, so I guess that did not have a lot to do with it.

My membership would basically agree with Dave that, "Hey, we can't afford 25 cents," but we have raised fuel prices here 30 cents in the past several months. If in fact there could be a tie that shows that this is where your money is really going to go and it is really going to happen, then there is reason to think that there could be support for an increase.

Senator SYMMS. For a gradual increase?

Mr. JUST. Yes.

Senator SYMMS. The only person in this room who could possibly have a constituency that would think a 25 cents per gallon fuel tax would be worthwhile represents the Union-Pacific Railroad.

But I don't want to embarrass him.

I do appreciate all the testimony. You make very good statements, all of you.

I share the philosophy of the Farm Bureau, Dave. I think that is heading in the right direction. I do think we have a funding problem facing the country.

If you drive around these roads as much as I do, you can really see it. We have some roads in Idaho that are in excellent shape, but we also have to go through a lot of weather problems. The same thing is true in Montana, Wyoming, Utah, Nevada, New Mexico, Colorado, and all of the Intermountain Region. We do have incredible weather differentials and that takes a toll on these roads.

There are also more and more people traveling and bigger pressures put on the highway system all over the United States. There are no free lunches either.

Yes, Parke?

Mr. GARRARD. Senator, about two weeks ago, one of my constituents in another State traveled 6,900 miles in Europe, through Germany, Holland, Austria, and France. He indicated that he found one road that was rutted and no potholes. When I asked how that could occur, he said that they dig the road down to the base; when a pothole does start to appear, it is two meters wide, and they rebuild the entire road system.

In Idaho, we come under fire a great deal for having high pressures in tires. Under State law, we are allowed 600 pounds per square inch. The Transportation Department people indicate that they do not have any problem with the loading of weights on their highways.

Part of the great problem in Idaho is the weather conditions. I also feel that there needs to be a great deal of concern taken in the Nation in the construction of roadways and the quality of those. The roadways should not be constructed at minimal levels, but at levels far above the minimal levels, so that they will serve the weights that are being carried on them.

Senator SYMMS. Expand on that for me. One of the earlier witnesses talked about the air pressure.

Mr. GARRARD. In Idaho, it has been claimed that the trucking industry is really the industry that is ruining the roads. If people would look into the legal process of legislation and laws that actually control the trucking industry, they would find that any time a longer vehicle combination is over the 80,000 pound weight, then they are paying an additional fee to take care of any damage that they may create in the highway system. There is also a ton-mile tax system in Idaho that supposedly is being collected. On the normal year for the amount of money that an auditor finds is owing, compared to the amount of money they collect in Idaho, it will cost the State 25 to 26 percent of that amount collected. Last year, 1988, in the audit process, it cost the State 41 percent of the total amount that was collected.

Senator SYMMS. It cost 41 percent to collect the money?

Mr. GARRARD. Of the administrative cost of auditing to collect that money.

Senator SYMMS. How much does it cost to collect the fuel tax?

Mr. GARRARD. That is very low and is taken care of through the State Tax Commission.

Senator SYMMS. Let me ask one engineering question of ARTBA. I assume you are in the construction business, personally?

Mr. MADARA. Design and planning.

Senator SYMMS. What is your experience with concrete highways versus blacktop highways?

Mr. MADARA. My own experience is that in the areas where you have a lot of freeze and thaw, the northern areas, concrete is what is the generally acceptable base. When you get into a southern region where you have a milder climate, blacktop will hold up.

Senator SYMMS. Thank you all very much.

I think it is worth mentioning for the audience and for the record—and I will put this information in the record upon returning to Washington—that is the data which would trace how much money Idahoans have paid in Federal highway taxes and how much has been returned to the State through apportionment and allocations from 1980 to 1989. I will use a chart that compares what our motorists' contribution to the Highway Trust Fund is with the total funds returned to the State.

We have been very successful with respect to protecting the formula in the 1982 bill and the 1987 bill, and we have to do that again in 1991 to be sure that we can keep that formula. We in Idaho have benefited greatly, and we will get that testimony in the record.

I think it is important that we recognize that we have done very well. I will put that in the record.

[The chart referred to follows:]

IDAHO
ESTIMATED STATE PAYMENTS INTO THE HIGHWAY TRUST FUND AND FEDERAL-AID APPORTIONMENTS FROM THE FUND

(in thousands of dollars)

	PAYMENTS INTO FUND(1)	APPORTIONMENTS FROM FUND(2)	RATIO APPORTIONMENTS/PAYMENTS
FISCAL YEAR 1978	35,411	46,666	1.32
FISCAL YEAR 1979	36,149	62,758	1.74
FISCAL YEAR 1980	34,046	55,977	1.64
FISCAL YEAR 1981	30,083	59,665	1.98
FISCAL YEAR 1982	31,618	63,305	2.00
FISCAL YEAR 1983	34,410	81,548	2.37
FISCAL YEAR 1984	45,176	85,722	1.90
FISCAL YEAR 1985	55,012	101,799	1.85
FISCAL YEAR 1986	57,605	112,645	1.96
FISCAL YEAR 1987	54,494	101,949	1.87
FISCAL YEAR 1988	58,222	165,724	2.85

(1) Fiscal year payments into the fund are based on receipts as reported by the U.S. Department of the Treasury. Includes revenues from highway-user taxes only.

(2) Includes allocations for urban high density, overseas highway, acceleration of projects and reapportionment of lapsed interstate funds. Excludes funds for emergency relief, public lands highways, great river road, bridges over federal dams, rural highway public transportation demonstration program, rail/highway demonstration, and traffic control signalization demonstration projects.

Senator **Symms**. We have three panels this afternoon. We will now stand in recess until 1:30 p.m.

Thank you very much.

AFTERNOON SESSION

Senator **Symms**. Good afternoon. I want to welcome everyone to the afternoon session.

We are ready for Panel 4, consisting of Mr. Jim Pline, International President of the Institute of Transportation Engineers; Mr. George Browning, Assistant to the President of Western Highway Institute; and Mark Gibson from the Highway Users Federation.

Welcome, gentlemen. We are very happy to have you all here. Jim, let's start with you.

STATEMENT OF JIM PLINE, INTERNATIONAL PRESIDENT, INSTITUTE OF TRANSPORTATION ENGINEERS

Mr. **Pline**. It gives me great pleasure to appear today representing the Institute of Transportation Engineers. Ours is an organization of transportation professionals. We have about 10,000 members representing over 70 countries, with about 50 percent of our membership in the United States.

We have been quite active in the transportation area. Our members represent State professionals, city/county officials, consultants, researchers, and safety people.

The Institute recommends that the national transportation policy be developed as a definitive policy which includes long-range goals by the President and Congress, with some attainable objectives to be carried out by the Department of Transportation. This policy should use the inherent advantages in each mode of transportation in pursuit of safe, efficient, and effective movement of persons and goods.

As far as the national transportation policy goals, we believe the Interstate System should be maintained and the rehabilitation of that system should continue. We strongly recommend that the traffic congestion in our urban and suburban areas be alleviated and that we continue the work and even increase the work as far as traffic fatalities and injuries are concerned. We have to do something significant to attack that problem.

Also, as far as the policy goes, we need to promote interstate commerce and economic development, which is particularly important for Idaho. As far as the transportation funding and Federal deficit, we strongly oppose any diversion of the highway trust funds to the Federal deficit.

We think that the gasohol exemption should be eliminated. We also think that we should actually spend the money in the trust fund for transportation purposes, initiate long-range funding plans for highways and transit, and develop a predictable funding source for transit—make the Highway Trust Fund permanent at this time.

As far as the new program, include in the future legislative authorization at least a five-year program so that it is a long-term predictable funding source. Allocate program funding by formula rather than through discretionary grants or line-item amounts set aside for individual local projects. Formulas for apportionment should be based on parameters that really reflect transportation needs.

We feel that the many Federal-aid Highway and Transit Programs could be combined into a smaller number of broad program categories and/or block grants with specific objectives to address major problem areas including interstate mobility, traffic congestion, small urban and rural communities, traffic safety, and transportation research. Increase the decision-making authority of State and local partners by reducing the number of specific Federal requirements and expanding the use of the certification acceptance program.

We also feel that the program should allow the use of developer fees, private contributions, and other financing mechanisms to provide the State/local match.

We do concur in the suggested Interstate Mobility Program, providing formula-based funding to the States, combining all the currently eligible elements of the Interstate 4R and Primary System Programs.

As far as an Urban Mobility Program, we think one should be established to carry out the Federal leadership role in alleviating traffic congestion. All urban area highways and modes would be eligible for funding under this program. Significantly increase the share of the Highway Trust Fund revenues authorized to be spent in congested urban areas.

We also suggest a regional traffic management authority in one or more urban areas on a voluntary basis to show the benefits that could be achieved by attacking the causes of congestion on a regionwide basis. Such authority should include all jurisdictions within urban areas with current responsibility for traffic operations, and should be delegated the corresponding responsibilities. The results of the test regional traffic management authority should be reported to Congress.

As far as the National Transportation Safety Program, we should initiate a National Transportation Safety Program combining the current safety construction and non-construction programs with requirements that States spend a specified minimum amount on selected priority elements each year. We should increase the authorization levels for the Highway Safety Program in recognition of this national health problem.

On the Transportation Research Program, we think a percentage of the apportioned Federal-aid funds should be dedicated to transportation research. We need to encourage State and local data collection efforts to determine current and emerging transportation mobility problems and a nationwide assessment of future mobility needs.

In order to carry out all of these programs, we do require a specified percentage of transportation authorization to be set aside for recruitment, education, and training of transportation professionals. All predictions are that in the next 10 years or 20 years, we are not going to have the transportation professionals to carry on the program.

As a last recommendation, some of the barriers to State and local transportation funding need to be removed. We need to review the Federal limitations on the power of State and local governments to finance transportation and other public works improvements and to remove those limitations which can no longer be justified. We also need to permit transportation agencies to implement tolls on new and existing Federal-aid highways. There should be no obligation to repay Federal-aid highway funds that have been expended on the facility.

That concludes my oral statement and I would be glad to answer any questions.

Senator SYMMS. Thank you very much. I do have a couple of questions, but I would like to hear first from the other two witnesses.

Mr. Browning, please proceed.

STATEMENT OF GEORGE BROWNING, ASSISTANT TO THE PRESIDENT, WESTERN HIGHWAY INSTITUTE

Mr. BROWNING. Thank you, Senator. I am George Browning, the Special Assistant to the President of the Western Highway Institute.

The Institute is a research organization serving the trucking industry in the western United States and Canada. WHI specializes in research on truck productivity, taxes, performance standards, and economic development. We appreciate the opportunity to provide information to the committee's fact-finding process.

Because of an outmoded Federal gross weight prohibition, the only significant avenue for greater truck productivity in the region is via divisible-load special permits under strict State controls to assure safety and road compatibility. However, some States lack the requisite 1956 grandfather authority to make even this a viable option. Furthermore, despite voluminous studies and court decisions to the contrary, DOT continues to oppose this productivity strategy.

All carriers experienced very large tax increases at the time of the STAA. Western operators, because of their higher annual travel, incurred a still greater burden after the Diesel Differential Amendment of 1984.

The unprecedented tax increases accompanying the STAA were founded upon the 1980 Federal Cost Allocation Study employing novel economic and philosophical concepts that have not been adequately supported by verifiable research. Two-structure tax systems are superior. A Federal weight-distance tax would have even less merit than at the State level where they have been widely rejected.

In reviewing WHI's past testimony, we have found that it stands the test of time. For example, many of the 38 questions posed in the committee's letter to WHI of September 16, 1982 still reflect current issues. Similarly, the answers are still valid.

What is the future of highway freight transport in the 1990s? From the trucking industry's perspective, this is the key question embedded in the current Federal DOT hearing process to assist development of the Secretary's proposed national transportation policy. WHI's submission to that process is attached because it points out numerous areas in which Congressional action is needed to improve the efficiency, productivity, and competitiveness of our highway transport system. The specific topics that should receive congressional attention are highlighted in Reference 2, attached.

Highway freight transport is the largest freight transportation element in the gross national product, by a large margin. But its importance far transcends the direct dollar input to GNP because it is so interwoven in the fabric of virtually every other economic activity in our complex modern economy.

For that reason, improved truck productivity could greatly benefit our domestic economy and will be vital to a competitive position in the international markets of the next decade. Arbitrary caps on truck productivity, like the Federal 80,000 pound GCW limit, which is the result of only a nine percent weight increase in 33 years, are artificial handicaps. They are exacting a price from every consumer, producer, and exporter in the Nation, which collectively amounts to billions of dollars annually.

Highway freight transport is properly viewed as a transportation system with two elements: the complex of Federal, State, and local roads and bridges; and the complex of hundreds of thousands of freight vehicles of all sizes and occupational purposes. We can significantly improve the productivity of this system by better matching the design of the several highway networks to freight vehicles and vice versa.

As to the highway systems, listed in outline form are some specific engineering, management, and funding suggestions with special western significance for improving the efficiency and economic development potential of our highway systems. (1) Design commercial routes to accommodate STAA vehicles. (2) Spend highway funds on highway needs. (3) Increase Interstate reconstruction funds and add new miles at State option. Also, emphasize highways of national significance. (4) Encourage the provision of developer fees to partially repay the non-highway user road benefits. (5) Eliminate gasohol exemptions and adjust rates on alternative fuels where significant energy differences exist. (6) Increase Federal urban and secondary bridge funding on a block grant basis. (7) Encourage State economic development highway programs. (8) Extend design life cycles for the systems carrying major commercial traffic volumes. Thirty years rather than 20 will lower the life cycle cost. (9) Build more truck features into commercial routes, such as climbing lanes, expanded rest and inspection areas, better signing, adequate access geometrics, and so forth. (10) Develop better incident management capability in urban areas, and (11) encourage States to establish better coordination or truck-related administrative functions, such as highway design, survey, monitoring, permit issuance, enforcement, and so on.

As to the vehicle systems, the following is a list of vehicle-related improvements that will improve productivity, safety, and economic development. (1) For vehicles in regular operation, Congress should remove the 80,000 pound cap, but retain present axle load and axle group restrictions by Federal Formula B or a subsequently improved formula. The Bureau of Public Roads officially recommended a 90,000 pound level as long ago as 1964. International competition also demands U.S. modernization. That is shown in Reference 2, attached. (2) Encourage States to adopt bridge formula loading no more restrictive than Formula B. This would allow truck operators to better utilize multi-axle equipment to haul heavy marine containers without overloading axles. (3) Congress should authorize all States at their option to allow longer combination vehicles to operate under State-administered divisible-load permit systems providing for adequate operator, vehicle, and highway restrictions. Such LCV operations should be conditioned upon conformity to Federal single and tandem axle limits and the Federal Bridge Formula limited to nine axles.

This recommendation reflects a newly adopted trucking industry national policy. It recognizes the ability of regions where LCVs are in regular use to coordinate operating rules and standards for compatible interstate operation. It also recognizes the differences in State truck transport needs and encourages development at a State-determined pace.

This diversity in needs and experience with LCVs is reflected in the membership of this Senate Committee. Five of the members are from contiguous States with a long history of LCV use in meeting local transport needs: Nevada, Idaho, Montana, Wyoming, and North Dakota. Minnesota is actively considering LCV authorization and New York and Florida have long operated them successfully on turnpikes.

Some of the research needs are that highway and vehicle research are substantially underfunded in relation to other R&D funding in America and in relation to the economic impact. The SHRP Program, a long overdue comprehensive look at the highway side of the system, is underfunded.

With several significant exceptions in the last few years, too many of the inadequate highway and vehicle research efforts are performed or sponsored by single government agencies. The perception of in-house control and bias in these studies is widespread in the private sector, particularly where the studies address modal competitive factors like vehicle size and weight or highway cost allocation. The FHWA western regional feasibility study on LCVs cited need for more studies after 20 years of studies and more demonstrations, but the agency has not encouraged them.

The recent over 80,000 pound cost allocation study admits to inadequate road use data by highway system and adheres to many of the flawed methodological concepts of the 1982 study. One of these lumps illegal axle loads into those generated by illegal permit vehicles, thereby distorting class responsibility. The recent Federal Weight-distance Tax Feasibility Study found that such a tax possible, where three States, Wyoming, Colorado, and Nevada, repealed those taxes.

It is encouraging to note that three studies, doubles safety, truck access, and truck size and weight, directed to the Transportation Research Board by Congress, have thus far been considered objective projects. The experienced diverse jury directorship of such projects would seem to encourage more fair-minded findings.

Another balanced research concept has enlisted partnership direction and funding by Federal, Province, and industry interests. This approach was successful in the recent $3 million CanRoad research project in Canada. Limited U.S. cooperative research of this type has been tried in the truck-safety data and driver training fields. The results have been positive and would argue for broader application and increase funding in the future.

In closing, we would like to emphasize that as Congress revisits the issues of what quantity and quality of roads this country will enjoy, who will pay for them, and what kinds of vehicles will use them, it should bear in mind that the old decision patterns on these issues are totally inadequate to meet the challenges of the nineties and a very competitive world market.

Thank you very much.

Senator SYMMS. Thank you very much for a very interesting statement.

Next we have Mark Gibson of the Highway Users Federation.

STATEMENT OF MARK GIBSON, NATIONAL HIGHWAY USERS FEDERATION

Mr. GIBSON. Good afternoon, Senator Symms.

I am Mark Gibson, the Senior Regional Director of the Western Office of the National Highway Users Federation for Safety and Mobility. I also cover the States of Idaho, Oregon, Washington, Alaska, and Hawaii.

My boss tells me this is called the exotic region. As a consequence, I get five States where everybody else gets three.

I am pleased to present the views of our organization at these initial hearings on the future of the Federal-aid Highway Program. We can think of no pending legislation which will affect America's future more than will this legislation, and we commend you for your early attention to the subject.

The Highway Users Federation is a national coalition of businesses, industries, and associations working to improve the safety and efficiency of America's highway transportation system. Our membership consists of more than 400 companies and associations representing 27 industrial and commercial categories with 63 State and local affiliates of over 2,000 members. Our members in turn represent over 30 million commercial and private users of the Nation's highway system.

The Nation's highway users overwhelmingly support Federal leadership in an aggressive program to make our street and road systems safer and more efficient. This theme was repeated over and over again at the 69 public forums we conducted in conjunction with State officials as part of the Transportation 2020 program in 1987 and 1988.

Urban areas are needlessly congested, rural roads and bridges are physically declining and, everywhere, accidents are occurring that could be prevented. This is a result of a benign neglect of our highway infrastructure for too many years. Our population, jobs, and productivity increased, but we let our highway systems decline.

Thus, our major recommendation to you is that America increase its rate of re-investment in roads and streets by at least 50 percent. Federal leadership is essential to achieving this scale of increase.

Highway users have always been willing to shoulder equitable user fees to pay for benefits received and today is no exception. However, we think it is reasonable to expect that the near $20 billion of user contributions that will be lying unused in the Highway

Trust Fund by 1992 should be used as intended before any new fees are imposed.

We have an eight-major element program. Our first priority in the new Federal-aid Highway Program must go to protecting the physical condition and service level of the Interstate System. This is America's transportation backbone.

This, we believe, will continue to take some $4 billion per year, about the same amount of money devoted annually to constructing the system. But it is an essential investment in the quality of service for 20 percent of our total travel and an even higher percentage of truck freight movement.

With the Interstate System secure, our second recommendation is to designate and fund a new National Arterial System, consisting of about three percent of the urban, suburban, and rural miles and serving an additional 30 percent of the Nation's traffic. This would focus Federal-aid on bringing a high level of safety and service to areas not now serviced by Interstate routes, such as the north-south corridor of the great Inland Empire in Idaho and adjacent States. Although not always designed as freeways, this system should be developed to safely serve all vehicles currently authorized to use the Interstate System.

The Federation's third recommendation is a major new Federal-aid Metropolitan Transportation Program, directed to achieving specific 10-year plans developed by local metropolitan governments and coordinated with their land use and community development plans. States would approve projects for conformance with the plan and in coordination with State-managed programs, but we see this as a locally-dominated program available for any transportation capital project, from a traffic signal system to a new bridge, to a new bus transit improvement, or to a modern urban parkway, as long as it conforms to the community's 10-year plan. Major new start transit initiatives should, we believe, be supported from general fund sources since their beneficiaries are not, by and large, the highway users who support the Highway Trust Fund.

Our fourth recommendation deals with small town America and rural areas where local transportation needs frequently exceed available transportation resources. A Federal-aid program similar to the Metropolitan Transportation program is proposed to help local governments meet these needs and to expand service in such areas as improved scenic and recreational routes and economic development efforts.

Although new bridge construction is eligible to be financed under the above programs, the Federation recommends continuing the highly successful separate bridge reconstruction program to assure that all highway bridges are routinely inspected, properly maintained, and rehabilitated or replaced as necessary. This program would include a discretionary program for very large and expensive bridge rehabilitations, and is our fifth recommendation.

Safety may appear sixth in our listing, but it is well above seventh place in Federation objectives and the concern of our members. Improving traffic safety is an essential Federation objective. We urge that a reauthorized Federal-aid Program continue a strong Federal presence in areas where national uniform standards make sense and particularly urge an expanded support in the area of commercial vehicle safety. Specific funding and incentives should continue to be dedicated to spot roadway safety improvements.

Our seventh recommendation is to focus on research. Research dollars pay dividends in better materials and methods, yet research was one of the first casualties of the transportation funding crunch. The Federation recommends that the reauthorization program essentially double the Federal funding of highway and safety research in each of the categories. In addition, we recommend a separate 10-year public/private program to develop an intelligent vehicle highway system for America. As you know, we are well behind European and Japanese efforts to develop such a system for the American market.

We consider this to be one of the most critical voids in America's entire research and development complex. Federal leadership is necessary to correct it.

Eighth and last is our recognition of the importance of highway development in America's Federal lands and to the ability of Americans and America's visitors to experience our scenic, historical, and cultural heritage. Access to public lands is particularly significant to the western States, where timber, mining, grazing, and other uses are major economic contributors.

Furthermore, about 17 percent of rural travel is for scenic and recreational purposes. This travel is of growing economic significance in most States. The Federation urges that these areas of highway use and development be recognized and supported in the future Federal-aid Highway Program.

We thank you for this opportunity to outline our proposals to the committee. Over the months ahead, we recognize that many adjustments and compromises will be necessary to craft a program responsive to diverse needs of our diverse Nation. We believe that each element we have proposed has merit, however, our major concerns are that the reauthorization program effectively address the monumental investment level required to keep America mobile into the next century and that the funding process, which must be expanded, will equitably relate payment to benefits received.

We pledge to you the full support and cooperation of the highway user community, both at the national and State level. Thank you.

Senator SYMMS. Thank you very much.

You have all mentioned how important safety is.

I would like to start with you, Jim. How do you in the Institute of Transportation Engineers classify this rock removal, vis-a-vis, are there other alternatives to the middle of the freeway?

Mr. PLINE. Are you speaking in relation to Magic Valley?

Senator SYMMS. Yes, but there are a lot of other places where they do that. Is there another way to do that which would be less expensive, putting up concrete fences, for instance?

Mr. PLINE. There used to be an attitude that if someone ran off the road, it was their own fault if they injured themselves. That attitude has changed in the past 20 or 25 years, and we do not feel that the penalty for running off the road should be serious injury or death.

Unfortunately, some of the early systems that were built were built under old standards. Newer standards are more forgiving.

I think the records will indicate that the first project that was done in Idaho was over by McCammon, which had a very serious injury/fatality rate. We went in and removed the rock from the median there against a lot of objections from a lot of people, and the record proves that it was very effective.

There are still people running into the median down there by McCammon, but they are then recovering and driving back into the roadway. So it is very effective and it is a one-time cost, where with a concrete barrier or something like that, there must be maintenance. The basic approach is that a barrier itself, a concrete rail or a metal guardrail is also a hazard and it does not do you any good when you run into it. You are better off to build a facility that does not include that concrete barrier or metal guardrail.

Senator SYMMS. Do either one of you want to comment on that? [Shaking heads negatively.]

Senator SYMMS. Do you think that AASHTO is the appropriate entity to set the design standards for the Federal-aid secondary and urban highways, or would you recommend another entity to do that?

Mr. PLINE. You probably should not ask me, Senator, because I participated in developing those standards. I do think it is at least one appropriate group. They have done a fairly good job over 50 years of developing standards of highway improvements.

The only improvement I would see is maybe some involvement of some of the other jurisdictions in their deliberations of standards. But they do have the technical expertise and have done a pretty good job.

Senator SYMMS. You mentioned toll roads and other means to enable local units to raise revenues to pay for projects. How far would you carry that?

Mr. PLINE. I think economics takes care of the problem. There are only a limited number of roads that could probably effectively collect enough tolls to do a real amount of good. What we are saying is that presently there is a restriction on collecting tolls on roads that were built with Federal Highway Funds, and we think those should be removed to provide the opportunity for some of the higher-volume facilities to raise some local funds to pay for maintaining and expanding that system. It may be one of the answers in some of the major metropolitan areas where they are having big problems that are going to get a lot more serious.

Senator SYMMS. George, I have a question for you. Your Point 1 in your testimony—"Western truck operators and shippers had little if any productivity gain from the STAA of 1982. High-density freight carriers actually lost ground." Could you elaborate on that?

The truck salesmen in Idaho are doing well, from what they tell me and from what I see. There are a lot of trucks being sold and a lot of trucks on the road. Are these losing money? Is that what you are saying?

Mr. BROWNING. Yes. The 80,000 pound cap, I think, has a restrictive force. It is just difficult for a lot of operators to realize, with the rate adjustments and rate concessions that are made between competitors, even the gain they have on the 80,000 pound cap. I don't know how else to explain it.

There are a lot of trucks out there vying for a limited amount of freight. I understand that in 1979, there were 15,000 or so certificated carriers in the country, and presently there are more than 40,000 certificated carriers in Interstate Commerce. And there is not that much additional traffic to adjust that increase in the number.

Senator SYMMS. Since when?

Mr. BROWNING. I think since 1979; before the Surface Transportation Act.

Senator SYMMS. Well isn't there more traffic?

Mr. BROWNING. Not proportionate to the tripling of the numbers of certificated carriers.

Senator SYMMS. You mean that there is more competition, so they are driving the price down more?

Mr. BROWNING. Right.

Senator SYMMS. Generally speaking though, isn't the trucking industry enjoying a profitable period right now?

Mr. BROWNING. There is a portion of the trucking industry that is enjoying all-time high profits. There is no question about that.

Senator SYMMS. Which portion is that?

Mr. BROWNING. That would be the long-haul carriers who are the old-line ones that were financially capable of withstanding the trauma of what took place when the deregulation occurred. Those that were marginal or less than marginal were either absorbed or went into bankruptcy, and the survivors are in a healthy position.

Then there is the element of the non-union element that came into play. Some of the union carriers that were marginal were unable to meet the new competition, so they have gone out of the picture. It is a pretty complex picture, and that is about the best way I can answer it.

Senator SYMMS. Mark, your second recommendation was, "To designate a new national arterial system consisting of about three percent of the urban, suburban, and rural miles, and serving an additional 30 percent of the Nation's traffic." Who do you think ought to make that designation, the State officials, the Federal Government, the local people, or just who?

Mr. GIBSON. We think there should be a combination of both local and State people making those designations.

Senator SYMMS. But basically non-Federal designation?

Mr. GIBSON. Right.

Senator SYMMS. With respect to the north-south connectors, do you favor a category in that or just an emphasis on primary highways?

Mr. GIBSON. Just an emphasis on the primary highway system. If you are using U.S. 95 and 93 as an example, yes.

Senator SYMMS. With respect to the tax question that was raised this morning, what is the general view of the three of you? Do you concur with the position that we should first get the question of the trust fund resolved and spend the money that the people are being taxed to pay for highways? Should we get that done first, or should Congress go ahead and say, "We're not spending enough money on the roads; we might as well start biting the bullet and start a gradual increase in the fuel receipts?"

Mr. GIBSON. I think there is a combination of both those things as well as a third factor. First of all, we think that the highway program is going to need some additional monies in the near term and would be best spent on what we have there already or looks more inviting to many of the people in Congress.

Also, if we get our oar in the water first, that may deter any efforts by the Congress to raise Federal gas taxes to balance the deficit. I mean that there is a psychological impact on that.

If we can get a consensus among the majority of people in Congress that our roads and transportation systems are as important to us as we would like to think they are, then we had best adequately fund them right off the bat.

Senator SYMMS. Any comments, George?

Mr. BROWNING. I think our position mainly is that if there is a decision for taxes to be applied, they should be applied on a cost-responsibility basis. In the past there have been some flaws in it, but if it is decided that is what it is going to take to get things done, then we do not oppose it on the basis of a tax. We just want it to be a fair tax.

Senator SYMMS. Jim.

Mr. PLINE. Fortunately for the U.S., since we are an international organization, we are the envy of most of the other countries because we do have a trust fund. Canada is now working on a transportation trust fund. But speaking to the U.S. fund, I think we ought to make it a trust fund. We ought to take it out of the Federal budget process.

I expect to hear somewhere in Congress, "What do they need more money for? They aren't spending what they've got." Well, we have not been allowed to spend it.

Senator SYMMS. That's right.

Mr. PLINE. I think that should come across loud and clear some place. Then funding ought to be looked at on a national level, or possibly, the opportunities for some additional funding on the local level. With a new program, with the money that is in the trust fund, there is some gear-up time, too, to get programs going.

Senator SYMMS. I want to thank all three of you for the excellent testimony. We appreciate your insight and will keep in touch with all of you as we start developing this legislation.

Thank you for being here.

Mr. PLINE. One comment, Senator. If the 65 issue gets to be a big issue, either call me or call the Institute of Transportation Engineers and we will provide you with some more data.

Senator SYMMS. Up to now, does your recent data show any increased problems for people's health and safety on the Interstate?

Mr. PLINE. Let's talk about Idaho first. We have fairly good compliance in Idaho with the 65 mile per hour limit, with basically no change as far as accidents. In a few places around the country, they have had a substantial increase. What comes to mind is the State of Maryland.

The only place in Maryland that you can go fast is on the Interstate and they run very fast. That is causing some problems.

Our recommendation on 65 is that the States need to look at those sections where they are having accident problems, and maybe lower the speed limit back.

Senator **Symms**. But that is letting the States do it?

Mr. **Pline**. The States should do it.

Senator **Symms**. I have a feeling that they may talk about it, but I think that if they check with their constituents, they will find that they like the opportunity to get on an Interstate and go 65 in the wide open spaces. I realize there is not much of that in Maryland, but it is a fact that the way the law is now, there really is no reason to have any change as far as the Federal attitude is concerned.

Mr. **Pline**. No. The fact that they were able to adjust the 55/65 limit more in the urban areas has been a good move. All of the data is not available nationally so it is not possible to make sound decisions without a sound technical basis.

Actually, a committee out of AASHTO is working on a report which has good data from the States. It is a little different from what the insurance institutes have because they do not get their hands on the right data. They use some select studies and make some assumptions based on those studies, but AASHTO can get you some good data.

If you need it, call our headquarters in Washington, D.C. or get hold of me and I will see that you get it.

Senator **Symms**. Thank you very much. We appreciated your information in the past and will look forward to working with all three of you in the future.

Panel 5 consists of Mr. Don Forbes, State Highway Engineer for the Oregon Department of Transportation; Mr. Ivan Miller, Chief, Office of Planning, Pacific Northwest Regional Office, National Park Service; Tom Lancaster, President of the Idaho Association of Highway Districts; and also Bob Henry, Administrator of the Idaho Transportation Council.

Don Forbes, why don't you proceed?

STATEMENT OF DON FORBES, STATE HIGHWAY ENGINEER, OREGON DEPARTMENT OF TRANSPORTATION

Mr. **Forbes**. Thank you, Senator. Before I begin my testimony I want to apologize for the poor scheduling on my part because I'm going to leave at 2:30 to catch an airplane back to Salem.

Senator **Symms**. You'd better get going.

We'll take your testimony for the record. You have to get to the Twin Falls Airport? I've got 2:20 right now.

Mr. **Forbes**. I'll talk fast.

Senator **Symms**. You'd better head for the airport. That's my advice, unless the plane is waiting for you.

Mr. **Forbes**. I am the Administrator of the Highway Division for the State of Oregon. On behalf of the Department of Transportation, I would like to thank you for this opportunity to talk about a most important topic, and that is the next Surface Transportation Act, which will be a critical determinant on whether the U.S. will have a transportation system that meets its economic needs for the future. Given the pressures of the poor, drugs, and crime, it is easy to lose sight of transportation, and yet the transportation system in the United States is critical to the continued economic health of the Nation.

We are pleased that the Senate Committee on Environment and Public Works is beginning deliberations this early on that important piece of legislation.

You heard this morning from two States about the proposed 2020 changes to the Surface Transportation Act and their impact on the western States. Rather than reiterate what those people told you, I would like to focus on just one area. That is the interstate highway system, because it truly is the backbone of America's highway system. Despite the fact that it has only 1 percent of the mileage, it carries approximately 22 percent of the traffic volume. It obviously supports national defense, and it links the major urban cores with our borders and our coastlines.

Those of us who are charged with managing highways focus on two broad areas of need: preserving the existing system, and modernization, or expanding the capacity of the system. While modernization needs are great, the preservation of this tremendous national investment should be the primary goal of any future national program. Quite simply, it bestows the most benefit to the most people.

In many respects, Oregon's Interstate System reflects the national system in that it is aging and Federal revenue sources are not up to the task of meeting even the basic needs.

In Oregon, under the best of conditions between 1994 and the year 2012, at least $580 million will be needed simply to protect the investment we already have. Well over $1 billion will be needed when modernization projects are added.

Under current legislation, anticipated interstate funds for this type of work account for less than $600 million, so between now and the year 2012 in Oregon alone we have a 40 percent shortfall in interstate needs. These numbers don't even take into account the impact of inflation.

We are not asking for the Federal Government to solve all our problems. For example, our legislature since 1985 has given us an additional $0.10 of State gas tax and comparable weight/mile tax for trucks; despite this commitment, we still have only one dollar for every three to four dollars of identified need for systems other than the interstate within Oregon. So Federal dollars are critical for us in the management of our own resources. If the Federal Government is to live up to its obligations to preserve the Interstate System, Oregon will require substantially increased interstate funding.

The other item I would like to discuss just briefly is the current program for interstate preservation and the way it is apportioned. The formula is weighted 55 percent currently by interstate lane miles in each State, and 45 percent by the estimated proportional vehicle miles traveled on the interstate within each State. In the past, Congressional debate has centered on how to account for interstate use and its impact on this I-4R funding process. The factors of lane miles and vehicle miles traveled were selected after review and evaluation by the Federal Highway Administration. Lane miles account for both the extent of the Interstate System within a State and its contribution to the 4R needs. Vehicle miles traveled reflects the general use of the system and the abuse that it may be taking from trucks and traffic in general.

The 1981 amendments to the existing act saw a major shift in the vehicle miles traveled formula, from 25 percent to 45 percent; this reflected a major shift in Congressional concern over the impact of traffic on the Interstate System. In other words, Congress accurately recognized that high traffic volumes carried by some segments of the interstate could result in premature failure of those segments.

Another reason that the 1981 amendments reduced the emphasis on lane miles was that many of these lanes were relatively new. However, today we are at the point where most of the lanes in all of the States are at the end of their design life, whether from traffic or by aging. Therefore it is time to reassert the role of lane miles as a primary indicator of need in the preservation formula.

It is also important to note that lane miles is the more accurate of the two measures. Vehicle miles traveled is an estimated use, and therefore subject to interpretation; the lane miles factor, on the other hand, is easily quantified and verifiable by all parties.

In summary, Oregon would ask you to maintain the investment in the transportation infrastructure by voting a strong, well-funded STAA with sufficient attention to interstate preservation. We ask that the interstate preservation funding reflect lane miles as the major component in the formulation of need.

Senator SYMMS. Since you have to leave, let me ask you one quick question.

Are you recommending that we go back to 60/40?

Mr. FORBES. I believe that that would serve most of your western States, which have very large areas of interstate and relatively low traffic volumes, compared to the eastern States.

Senator SYMMS. That's a pretty tall order. I don't know whether we can do it or not, with the makeup of the House being highly tilted toward urban areas.

But I would agree with that. If I thought we could do it, I would be willing to try it. I don't know whether it can be done. We would probably have to fight to hold 55/45.

One other quick question. Do you believe that better design standards should allow for the use of timber bridges on Federal secondary roads?

Mr. FORBES. I believe that they should. I've done a fair amount of structural design; I know that timber structures have a place. What we're finding in the State of Oregon is that quite frequently they're still not cost-competitive. But when you look at the life cycle, despite the fact that we're a timber State, most frequently concrete bridges are more cost-effective.

Senator SYMMS. Well, you're getting more and more famous for being an owl State, and that makes it a lot harder to get that timber. It raises the price quite a lot. But you're famous for those spotted owls. We're trying to keep them from flying over here. You've probably heard about that.

We're having our share of troubles, too.

But I thank you very much. So you think that there is a potential that the bridges will work, but it's just a matter of cost for timber?

Mr. FORBES. I believe that with adequate preservatives, they can have a 50-year life on those roads.

Senator SYMMS. Okay. You've got an airplane to catch, and we forgive you. You go ahead, Don, and thanks for being here today.

Mr. FORBES. Thank you very much, Senator.

Senator SYMMS. Now we hear from Tom Lancaster, Idaho Association of Highway Districts.

Tom, go ahead.

STATEMENT OF TOM LANCASTER, PRESIDENT, IDAHO ASSOCIATION OF HIGHWAY DISTRICTS

Mr. LANCASTER. Thank you, Mr. Symms. I am Tom Lancaster, President of the Idaho Association of Highway Districts. We are pleased that your subcommittee is affording us the opportunity to present our concerns on the direction that future Federal-aid highway programs should take, now that the Interstate System is essentially complete.

Our association consists of 56 of the 63 special taxing districts with administration responsibility for some 12,000 miles of public secondary highways and streets in the State of Idaho.

Mr. Chairman, I am sure that you are aware that the Nation's highway system is deteriorating at a faster rate than the present maintenance and construction funding provides. And while we share the concerns of Federal and State administrators, our primary concern is for local needs at the county, city, and highway district level. The local needs all seem to have been forgotten when compared to the Federal and State needs when Federal highway funding programs were enacted.

The local highway system is a vital link in the overall national transportation system. Without the local highway connection that provides direct access to the people and adjoining land, the journey of our agriculture, timber, mining, and manufactured products to market and the freeway could never begin.

We at the local level find that our highways and bridges are required to provide more use with less funding each day. As our population increases, so does the average traffic count on our highways. As the railroads reduce their freight lines, the freight moved over our highways increases. With the enactment of the Surface Transportation Act of 1982, wider, longer and heavier trucks operate on the interstate and primary routes, and movement of those vehicles originates and terminates on some local highway.

As more people move to rural areas, greater demands are placed on local highway systems. In addition to the increased use of our highway systems creating additional maintenance costs, inflation—primarily road oil and fuel prices—during the past two decades has eroded the buying power of the funding we have had. The additional maintenance costs result in deferment of major capital highway improvements and then, eventually, the deferment of routine highway maintenance and equipment purchases necessary to perform maintenance needs. The continual deferment of capital and maintenance needs will result in major loss of capital investment in our overall highway system, which will have a significant negative effect on the mobility of our country.

Clearly, if we are to maintain an efficient highway system in this country, user fees must continue so we can provide for the increasing demands of our highway system. We are not in a position, however, to provide you technical information as to whether one group should pay more or less as their fair share of the highway construction or maintenance cost. In Idaho we do, however, have an ongoing study of local highway needs which should be completed within the next few months. We also have the results of the last annual local bridge inspection report, and I have a copy for you. The report shows that we have 391 local bridges that have a sufficiency rating of 50 percent or less. A rating of 50 percent or less means they have restrictions, need replacing, and would be eligible for Federal matching funds. The estimated replacement cost for the 391 local bridges is a little over $80 million. At the present time, I believe locals receive about $1.75 million in Federal bridge funds each year.

In 1982, when the STAA was passed, there was plenty of evidence to indicate a need to improve our highways and bridges. There was a national perception that the act would provide the necessary funds to take care of the Nation's highway problems. However, as you know, the act was written primarily to fund the completion and rehabilitation of the interstate and State primary routes, but also with some additional funds for bridges and secondary routes. The average taxpayer believed that the Federal funds would be shared with local governments to also take care of local highway needs. Consequently, because of this misconception, I feel that our State legislators and the property taxpayers have not been receptive to additional State highway funding taxes and fees. And as you know, in Idaho our farmers and loggers—a large part of our economy—are in a very difficult financial position, and it is difficult to ask them to bear an additional burden for highways when they received so little as a result of the increased taxes related to STAA-82, and considering the fact that most of them never use the Interstate System.

It also becomes more difficult for those same farmers and loggers when local road agencies have to put more road and bridge load limits on for longer periods of time each year to protect what highways and bridges they have from further deterioration.

When we review the net result of the present Federal highway funding process, it certainly seems to us at the local level that we have received the short end. We wish to emphasize that the local highway and bridge capital improvement programs must receive their fair share of any Federal funding programs.

We at the local level would also request that when you consider future highway funding programs, you review and reduce the mountain of rules and regulations with which we at the local level are confronted in order to receive any Federal funding. There are many cases where the local unit of government could construct a highway or bridge to meet adequately the local public needs at one-third the cost of having to go through the administrative gauntlet of red tape to obtain Federal highway aid funds. Consequently, many of our smaller populated counties, cities, and highway districts never apply for Federal highway funding because of the administration requirements, engineering, and time delays which are always part of any Federal assistance program.

We would prefer to see a portion of the Federal Highway Fund allocated to the States and automatically transferred to the local units based on a formula considering population, highway mileage, and units of government with highway responsibility.

We American people have invested billions of dollars in our highway system, and now the future success of that overall system is dependent on your efforts. So please, in your future funding programs, don't forget that the local highway and street system deserves national attention also, because we too are an essential part of the total transportation system.

Thank you for permitting me to share our thoughts and comments with your committee.

[An attachment to Mr. Lancaster's statement follows:]

CRITICAL BRIDGES - 1989
J WANAMAKER

COUNTY	NO. BRIDGES	COST ($1,000)
ADA	24	6,540
ADAMS	15	1,990
BANNOCK	8	1,480
BEAR LAKE	4	1,290
BENEWAH	6	795
BINGHAM	2	255
BLAINE	12	1,265
BOISE	8	2,430
BONNER	6	3,075
BONNEVILLE	11	1,745
BOUNDARY	8	2,550
BUTTE	12	1,590
CAMAS	14	1,955
CANYON	43	7,665
CARIBOU	8	1,285
CASSIA	1	105
CLARK	4	1,680
CLEARWATER	4	700
CUSTER	14	2,616
ELMORE	5	1,280
FRANKLIN	5	785
FREMONT	6	1,625
GEM	8	1,195
GOODING	7	1,880
IDAHO	6	1,209
JEFFERSON	6	800
JEROME	7	950
KOOTENAI	7	1,425
LATAH	6	1,050
LEMHI	5	1,225
LEWIS		
LINCOLN	20	2,740
MADISON	6	645
MINIDOKA	2	2,205
NEZ PERCE	10	3,920
ONEIDA	2	240
OWYHEE	8	1,065
PAYETTE	3	385
POWER	2	220
SHOSHONE	13	3,305
TETON	6	1,070
TWIN FALLS	3	755
VALLEY	3	545
WASHINGTON	28	6,175
SUBTOTAL	378	$77,705
OTHERS	13	2,490
TOTAL	391	$80,195

Senator SYMMS. Thank you very much, Tom. An excellent statement. I am very sympathetic with what you say about the mountain of regulations.

Next we want to hear from Bob Henry, Administrator of the Idaho Transportation Council.

STATEMENT OF ROBERT L. HENRY, ADMINISTRATOR, IDAHO TRANSPORTATION COUNCIL, BOISE, ID

Mr. HENRY. I am Bob Henry, Administrator of the Idaho Transportation Council. The Council provides transportation management services for the Idaho Barley, Bean, and Wheat Commissions and other agricultural groups in the State.

It is always tough to address this kind of thing to you, Senator Symms, since you know us so well.

As a large agricultural producer distant from domestic and foreign markets, costs and quality of freight hauling services are essential economic concerns of Idaho. As a rural State, using the passenger car as the commuting vehicle and the vehicle used for most family, school, and social activity, the condition and safety of our roads and highways become personal concerns to every Idaho citizen.

The level of a farmer's return is determined by the cost of transportation of product to market. The opportunity for crop alternatives and volume of production is in part controlled by transportation access. Ability to attract investment in value-added processing of Idaho's crops is dependent in large measure on these same factors. Our concern, therefore, with our Federal highway program becomes a bread-and-butter issue in the most real terms for all Idaho.

From this vantage, the most essential elements of a desirable transportation program are:

Continuation of a Federal highway program;

Deposit of all Federal excise, fuel tax, and highway use funds of any origin in a trust fund, with expenditures from that fund authorized only for administration of the Federal highway program and for actual highway program purposes;

Allocation of trust fund shares to individual States in an equitable formula which restricts State use of such receipts in the same manner as for the disbursement from the trust fund, and permits the individual States to allocate those funds to State programs on the basis of local knowledge of the priority of need; and

Recognizes the special needs of rural bridges and roads for greater financial support to avert an utter collapse of this class of roads and highways.

In my view, Idaho's dependence on the highway and road system is increasing rather than being diminished. Each new railroad abandonment or reduction in quality or level of service acts to increase that reliance. Each reduction in local air service, increase in air fares, or loss of convenient airline passenger interchange to connecting flights increases business travel over the road.

It is also our view that how well Idaho products are able to compete in the international marketplace is determined to a large extent by efficiency in transportation. How well we manage that function is a key economic issue.

There can be no increase in efficiency in conditions of a deteriorating road and highway infrastructure. There can be no real economic expansion in our core city or rural areas without transportation efficiency. We have a long national agenda which includes many sorts of problems, but certainly among the most pressing is the need to address our national highway transportation program.

Senator SYMMS. Thank you very much, Bob. I appreciate the testimony of both of you.

One question that came to mind as you were talking about being competitive, with respect to grains that are grown in the Snake River Valley, as we have gradually improved US–95, do you think the day will come that we will see more grain trucked to Lewiston to load, or will it always be more likely that it will be trucked straight on west, and maybe loaded along the Columbia River somewhere?

Mr. HENRY. I have done a couple of cost estimate studies on this thing. I think there will be an impact in certain areas of the southwest counties of Idaho and in part of the drainage that goes into Magic Valley now. The primary transportation impact, I think, will be that competition is the only regulator of freight rates. I think it will ensure a level of competition, so there will be benefit there.

Secondly, I do think there will be a natural movement of grain continuing, and perhaps enlarged a little bit. There is a movement now that is based on utilization of the lumber trucks and other equipment in the north coming south under load, and then going back empty. I think there will be some benefit.

Senator SYMMS. Thank you.

Tom, I wanted to ask you about the table at the end of your statement. Is this a list of the number of bridges needed in each county? For example, the table shows Ada County, and lists 24 bridges.

Mr. LANCASTER. That is a list of critical bridges by county. That's how many bridges there are in each county and the approximate cost to replace them. In Ada County, they need $6.54 million.

Senator SYMMS. It looks like Twin Falls County has three bridges at $755,000; is that right?

Mr. LANCASTER. That's correct.

Senator SYMMS. Okay. Just so I had that straight.

Mr. LANCASTER. In the past, in my opinion, we have had some forward-thinking highway commissioners. We are totally a "highway district" county; there are four highway districts. The reason that we only have three bridges is that we started early.

Senator SYMMS. So you've been working at it with your local money?

Mr. LANCASTER. Yes.

Senator SYMMS. The point which you make, which I think is significant, is that there is $80 million worth of bridges that would be eligible for Federal aid, is that correct?

Mr. LANCASTER. That's correct.

Senator SYMMS. And what's the cost sharing of Federal aid for those bridges?

Mr. LANCASTER. About 80 percent, to my knowledge.

Senator SYMMS. We had $1.5 million allocated last year, so it will take us another 80 years at this rate, except that they will be worn out by then?

Mr. LANCASTER. By the time we get to the 40-year mark, you're probably going to find as many bridges that come on the low-sufficiency list——

Senator SYMMS. Right. Is this the Federal you're referring to, or are you talking about both the State Highway Department and the Federal formula?

Mr. LANCASTER. No, the Federal formula is what is governing this bridge replacement cost. As you can see, without continuing Federal participation we will never live long enough to see our bridges fixed. We have to do our worst ones, that ones that are—well, like the "singing bridge" that you heard about this morning.

Senator SYMMS. Right.

Mr. LANCASTER. That one is very, very low. We just have to establish a priority list.

Senator SYMMS. Okay.

I want to thank you both very much. Your testimony is appreciated and it was very well done. Thank you, Bob and Tom.

We have testimony from Ivan Miller. I would insert it in the record. (See p. 258.)

Senator SYMMS. Panel number 6, Mr. Jack Ramsey, Secretary-Treasurer of the Buhl Economic Council, Buhl, Idaho; and Ms. Jill Thomas-Jorgensen, Director of Economic Development, Port of Lewiston.

Jack and Jill, please come forward.

Senator SYMMS. Welcome to Twin Falls.

Okay, Jack, why don't you lead off? We'll go right down the list.

STATEMENT OF JACK RAMSEY, SECRETARY-TREASURER, BUHL ECONOMIC COUNCIL, BUHL, ID

Mr. BUHL. Thank you very much. I represent the Buhl Economic Council, which is a group of volunteers in Buhl, elected each year by the Chamber of Commerce, to do economic development and business retention and expansion work.

One of our project is to pick up this Clear Lake Grade effort, which has been going on for approximately seven years, in an attempt to get it replaced. This grade is located north of Buhl; it is about 2.2 miles long, and it is the roadway that goes from Snake River up the canyon on the north side in Gooding County. It is in the West Point Highway District, which is the smallest and the least funded district in Gooding County.

The grade was constructed in the early 1930s as a WPA project, and was adequate in those days to handle four- and six-wheeled trucks. It is presently used, when possible, as a major commercial artery by fuel truckers and tractor-trailer rigs hauling farm products, chemicals, and finished goods.

I have compiled a list of just a few of the significant problems with the grade.

Considering the traffic, it is only 18 feet wide; there is a drop-off into the canyon, at the highest point, of over a thousand feet on one side of the road, and on the other side of the road is a sheer wall going to the top.

The grade is approximately 12 percent at the top, which is very steep. There are large rocks coming off the canyon wall onto the road with great regularity. Access from the trout farms that border the river and from the golf course is steep and dangerous.

One of the most interesting problems is that there is about 500 CFS of water flowing under the grade, which keeps eroding the roadbed.

I should point out, although it's not in my written testimony, that the most recent number I have is that in 1984, the West Point Highway District's annual budget was only $57,000, and their responsibility is to keep this grade open. So it has just become an impossible task for them.

The curves at the top and bottom of the grade are hazardous, and the high water table under the grade, especially at the bottom part, keeps the road in an "upheaval" condition most of the time.

There are stacks of information to document the traffic that this grade handles, but just one example is that during August, when the Green Giant sweet corn processing plant is harvesting and processing corn, there is an 18-wheeled truck using the grade every five minutes around the clock. This, when combined with school bus traffic and other commercial traffic, has created a genuine safety problem.

There are three major food processing businesses in Buhl. All three of them are expansion-minded, and all three could expand elsewhere. They all need improved transportation. They presently employ approximately 1,400 people, full- and part-time, during their peak seasons, and estimates run as high as 400 additional full- and part-time jobs in the next four years if they are able to expand. The significance of those numbers is that this is in a community of only 3,600 people.

The Buhl Economic Council has been working with our Federal legislative delegation, as well as our State legislators, for several months to try to find some method of funding this project. State highway officials have offered to help us get this project on their six-year list, but quite frankly, there's no assurance that once we get on the list we will ever get to the top of it in the first place. Secondly, we don't think that six years is an appropriate amount of time for us to wait.

When we testified before the State Legislature this past winter, one of the legislators—obviously from north Idaho, who had a significant interest in Highway 95 instead of the Clear Lake Grade—asked us how many people had been killed on the grade. Our response to that is that if that's the way we want to make decisions about maintaining roads, then we shouldn't bother changing the oil in the car until you blow up the engine. That didn't seem to matter, and we still don't have the money for the grade.

We have new jobs to create, new businesses to develop, and existing businesses to support in 1989 and 1990.

Both Mr. Henry and Mr. Lancaster addressed in general some of the concerns that they have about local problems, and here is a real-life situation.

The Governor offered to help us, and sent us a letter on June 20th saying that he didn't think it would be appropriate for him to spend $3 million in Buhl, but he did suggest that we make this grade the number one priority of the State for demonstration projects in the next Federal Surface Transportation Act, thinking that he would then have put the ball in our court, or at least in someone's court besides his.

I am here to find out basically whether or not it is realistic for us to hang our hat on the concept of a demonstration project, and whether or not anything can happen before 1992.

We have, fortunately, a completely approved project. It has been all the way up and down the ladder, signed off by everyone from the Audubon Society to the Federal Highway Administration. The route has been selected. The access is available. The engineering is done. All we need is $3 million, and that's why I am here, to find out where we should go next.

Senator SYMMS. I appreciate your testimony greatly. I think you were here this morning, Jack, and heard some of the comment about the demonstration projects.

I think I really should say here for the record that the proper way to do this, for me, is to keep the money coming in at the level that it is now, or possibly increase the program, which I think we could finance a program that is 25 percent bigger for at least the next three to five years without an increase in the fuel or other user fees that go into the trust fund, just because of the buildup, and just spend it down. And then allow the State Highway Board to have that flexibility which they have to appropriate or to allocate the money for this project. It is obviously a needed project and a good project, but it's a little hard for me to say that we can get a demonstration project in view of what happened in the last Surface Transportation Act that passed in 1987, because it was a bloody battle in Washington. The demonstration projects were the cause of that. Had there been one Senator that changed his vote, it would have wiped out that highway bill and we would have gone back and started over and tried to pass a bill without demonstration projects, as you well know.

There was a formula in the demonstration project part of that bill that guaranteed that each State got a percentage of the money so that no State was left out, even if they didn't have a project. I think they got $4 million or some such amount, which would take care of your problem.

It's not going to be easy to say that we can have a demonstration. That's not to say that there may not be some demonstration projects, but the history of demonstration projects is that they were set up to actually demonstrate new technologies on either bridges or roads, and there are some very good examples of demonstration projects that have developed new technologies and made better roads. There are bridge demonstrations in Tennessee that are now widespread in their application across the country, and there are other genuine demonstration projects that cut costs of construction and help make a better, safer system.

But I have to say now that for the basic part, most demonstration projects are just another way to earmark money for a project and go around the formula for the appropriation process. So I believe you need to push hard with the State Highway Board. You have a very fine and strong legislative group from this region and from Magic Valley and I think they can keep pushing that for you. What I need to do is to be sure that we have a well-funded Federal highway program.

I'm not opposed to trying to get Idaho its share of these things, but after what happened the last time I don't think I'm in a position to make any promises because I don't know what kind of negotiations we'll get into. You won't be forgotten, but I think that we need to press on.

Thank you very much for your testimony.

Mr. BUHL. If you don't mind, I have two very brief comments in addition to that, and they relate to similar projects that need to be recognized.

I made reference to the fact that the West Point Highway District has such a meager budget. When it comes to matching, whether it's State or Federal dollars, in the local entity, and the sponsoring entity has to put up a match, there will be instances around the country—not just in the West Point Highway District—where that is absolutely impossible. The West Point Highway District, with a $57,000 annual budget, can't match anything.

The second point is that it has been suggested by several people in State government that maybe these business enterprises, like Green Giant and Pet Milk and Clear Springs Trout, put up some money. I would like to state on their behalf that they do put up money in the taxes they pay and in the salaries that they pay to all of their employees. Any hint that private enterprise should take on responsibility for building public roads should be taken care of with dispatch, because I think it's entirely inappropriate.

Senator SYMMS. Okay. Thank you very much.

Jill.

STATEMENT OF JILL THOMAS-JORGENSON, DIRECTOR OF ECONOMIC DEVELOPMENT, PORT OF LEWISTON, LEWISTON, ID

Ms. THOMAS-JORGENSON. I am Jill Jorgenson, Director of Economic Development for the Port of Lewiston. I am glad to be here this afternoon.

At the port we have three priorities. They are transportation, international trade, and economic development.

The reauthorization of the Federal-aid highway program has certainly raised a lot of questions. We at the Port of Lewiston don't profess to have all the answers, but we do have concerns, and we appreciate the opportunity to tell you our story so that you can consider our needs as you proceed in finding funding answers.

Now that the Interstate System is nearing completion, we at the Port of Lewiston feel that it is essential for the Federal, State, and local governments to work together to ensure that adequate maintenance measures for the Interstate System are ongoing, and that needed revenues are available for highway improvements, especially in States like Idaho that are not directly on interstates.

The Port of Lewiston strongly supports the continuation of the Federal surface transportation program for the following four reasons.

One, good highways and streets are major factors in the economic development of Idaho.

Two, as one of the lesser-populated States, Idaho is unable to fund the necessary new road construction and maintenance requirements without Federal assistance. Arriving at apportionment formulas to fill each State's needs is difficult if not impossible. We would, however, like you to consider that if these calculations are made on a population basis, Idaho—at just under one million people—may not receive enough assistance to finish our State highway system.

Three, rail abandonments in the past and future will increase the amount of Idaho's commerce that is dependent on the highway system.

Four, we feel Idaho's highest priority need for highway development continues to be Highway 95, connecting our State from north to south. Improvements to this highway will bring increased traffic through the Port of Lewiston.

We are currently in an increasing growth pattern at the port. However, the single largest factor that will inhibit our growth is the fact that we are somewhat isolated.

As you know, we are not next to a large population center. We have Spokane, Washington that is about 125 miles away. So in order to really up the Port of Lewiston, and because of the improvement costs concerned, this highway will have to remain a long-term priority.

In looking at truck studies that have been done at the port we find that currently only 7 percent of the trucks that are moving agricultural products, which is our number one export from the Port of Lewiston, to the port originate in southern Idaho. That compares to approximately 70 percent of the traffic that moves to the port from the States of Montana, North Dakota, South Dakota, and Minnesota.

We feel strongly that as Idaho's only seaport, the Port of Lewiston is there to serve the entire State. But we have been severely hindered in the past because of the limitations of Highway 95. As you know, there are stretches of the highway which are narrow and where the curves are too sharp for large semis. Construction of Indian Valley Highway from Emmett to Council would reduce travel time from Boise to Lewiston by one hour, and would open up the port to southern Idaho's shippers.

As you are aware, Senator Symms—and we appreciate your effort in it—last fall, then-President Ronald Reagan signed a bill into effect designating US-95 as a priority highway. The Idaho Transportation Board is doing their part; they made a decision to double the amount of money the State will spend over the next six years to continue improvements to our north-south highway.

We see these actions to be very positive steps. However, it will require a lot more than the monies now budgeted to finish US-95.

Along with meeting the needs of commerce, a completed highway will provide a better social link through our 479-mile-long State, and will provide high quality access to our tourist attractions from Canada and other States in the United States.

Thank you. I appreciate the opportunity to appear here today.

Senator SYMMS. Thank you very much. We appreciate your coming down from Lewiston to testify. I would say that I think the port is a tremendous asset to the State, and it's a compliment to those of you who work in the Port District—and I have worked very closely with them—for what they've done to try to facilitate the area for commercial interests throughout the State. But, I think that just from Jack's testimony, it is clear that we have a lot of competing interests for these dollars. I think it is equally clear that we should not ever get in the position of resting on our laurels with respect to the importance of good transportation to our economy, because our State is a producing State. It's a resource State, and we need to get to those markets.

So I am willing to work with all of you and I hope that we can achieve a continuation of a program that has worked well.

Jack, before we close, that stretch of road you mentioned, isn't there any way that a portion of the cost-sharing could be realized from, say, tolls, for instance? Or any other means. Have you done any studies on that?

Mr. BUHL. Tolls?

Senator SYMMS. Tolls for a percentage, because you're talking about the matching funds; with a $57,000 budget, you can't go very far matching a $3 million project. But even with a toll, the traffic numbers being what they are, that would probably not be a very practical solution to it?

Mr. BUHL. I don't think it would be practical. In addition to that, philosophically, we find it hard to go to the people who are adding value to our agricultural products by processing them and shipping them overseas and around the country, and telling them that they get to pay for the privilege.

Senator SYMMS. Well, I thank all of you and all the witnesses who participated today. We will continue this meeting in Idaho Falls tomorrow morning, and in the remaining part of the day I'm going to try to sell some more Idaho products to the delegation from Taiwan that we are entertaining over at Sunny Slope, so I'm going to have to excuse myself and fly over there, then fly back to Idaho Falls in the morning.

That's it for the day. Thank you all very much. We stand in recess until tomorrow.

[Whereupon, at 3:00 p.m., the subcommittee was recessed, to reconvene on Tuesday, August 22, 1989, at Idaho Falls, Idaho.]

[Statements submitted for the record follow:]

TESTIMONY BY

GARTH F. DULL, DIRECTOR
NEVADA DEPARTMENT OF TRANSPORTATION

BEFORE THE WATER RESOURCES, TRANSPORTATION AND
INFRASTRUCTURE SUBCOMMITTEE OF
THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

AUGUST 21, 1989

TWIN FALLS, IDAHO

MR. CHAIRMAN, SENATOR SYMMS, MY NAME IS GARTH DULL, DIRECTOR OF THE NEVADA DEPARTMENT OF TRANSPORTATION. I WOULD LIKE TO THANK YOU FOR THE OPPORTUNITY TO APPEAR BEFORE YOU AND PRESENT OUR CONCERNS FOR THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM.

THIS IS TO ADDRESS AN ISSUE THAT IS OF INCREASING CONCERN TO NEVADA, AS WELL AS MANY OTHER STATES. THE ISSUE HAS TO DO WITH THE EVOLUTION OF THE 2020 TRANSPORTATION PROPOSALS WHICH ARE BEING DEVELOPED BY AASHTO, FHWA AND THE HIGHWAY USERS FEDERATION IN CONJUNCTION WITH THE TRANSPORTATION INDUSTRY TO INFLUENCE THE FUTURE OF THE FEDERAL-AID HIGHWAY PROGRAM.

OUR CONCERN IS THAT THE PROPOSALS, IF ADOPTED AS THEY ARE PRESENTLY WRITTEN, COULD SEVERELY AFFECT NEVADA'S FEDERAL-AID HIGHWAY SYSTEM. IN FACT, THE VIABILITY AND WELL-BEING OF THE NATION'S TRANSPORTATION SYSTEM COULD BE IN JEOPARDY. A LARGE PORTION OF THE FEDERAL-AID HIGHWAY PROGRAM WHICH HAS EVOLVED OVER 30 YEARS WILL BE GENERALLY ABANDONED IF THE CURRENT PROPOSALS ARE ADOPTED. SPECIFICALLY, NEVADA'S CONCERNS ARE AS FOLLOWS:

FEDERAL HIGHWAY SYSTEM

THE EVOLUTION OF THE FEDERAL HIGHWAY SYSTEM HAS OCCURRED OVER A PERIOD OF MORE THAN 30 YEARS. THE SYSTEM IN ITS PRESENT FORM CARRIES THE LION'S SHARE OF TRAFFIC AND GOODS. IT IS BASED ON A PREMISE THAT AN ADEQUATE SYSTEM OF HIGHWAYS BE MAINTAINED TO PROVIDE FOR THE MOVEMENT OF PEOPLE AND GOODS FROM FARM OR FACTORY TO MARKET AND STATE TO STATE. TO ACCOMPLISH THIS OBJECTIVE, FOUR SYSTEMS OF HIGHWAYS WERE DEVELOPED; THE INTERSTATE, PRIMARY, SECONDARY AND URBAN SYSTEMS.

FEDERAL HIGHWAY SYSTEMS - CONTINUED

UNDER THE 2020 PROPOSALS, ALL OF THE SECONDARY AND URBAN SYSTEMS AND A PORTION OF THE PRIMARY SYSTEM WOULD DISAPPEAR. NO LONGER WOULD FEDERAL FUNDS BE SPECIFICALLY PROVIDED TO ADDRESS EACH OF THE SYSTEMS.

THE FHWA PROPOSAL CALLS FOR A HIGHWAY SYSTEM OF NATIONAL SIGNIFICANCE. UNDER CRITERIA DEVELOPED BY FHWA AND AASHTO, A HSNS WOULD CONSIST OF THE INTERSTATE AND A PORTION OF THE PRIMARY. THE REMAINDER OF THE PRIMARY, SECONDARY AND URBAN SYSTEMS WOULD BASICALLY BE PART OF A "BLOCK GRANT" OR "TURN BACK" PROGRAM. THIS APPROACH DOES NOT COME NEAR ADDRESSING THE NEEDS OF MANY WESTERN STATES WITH VAST GEOGRAPHICAL AREAS, SMALL POPULATIONS AND LESS DENSE USAGE CHARACTERISTICS. IN NEVADA, OUR CURRENT 5,400 MILE SYSTEM WOULD BE SPLIT WITH 2,400 MILES ON THE HSNS (UNDER THE MOST OPTIMISTIC PROPOSAL) AND 3,000 MILES UNDER THE "BLOCK GRANT" OR "TURN BACK" PROGRAM. THE "BLOCK GRANT" PROGRAM AS WE UNDERSTAND IT WOULD BE BASED ON A DOLLAR RETURNED FOR A DOLLAR CONTRIBUTED TO THE "TRUST FUND." ALSO, IT WOULD GRANT THE STATES TOTAL FLEXIBILITY IN ADMINISTERING THE PROGRAM, i.e., NO SPECIFIC URBAN/RURAL SPLIT, AND NO FEDERAL REQUIREMENTS TO COMPLY WITH CURRENT STANDARDS.

THE STATE OF NEVADA BELIEVES THAT THE FEDERAL GOVERNMENT HAS A CONTINUING RESPONSIBILITY FOR THE INTERSTATE, PRIMARY, SECONDARY AND URBAN SYSTEMS AS THEY CURRENTLY EXIST. THESE SYSTEMS ARE NECESSARY IN MEETING NATIONAL DEFENSE NEEDS AND TO THE MOVEMENT OF INTERSTATE GOODS, PRODUCTS AND PEOPLE WHICH AFFECT THE NATIONAL ECONOMY. ALSO, MANY OF NEVADA'S FEDERAL-AID SECONDARY SYSTEM ROADS FUNCTION AS PRIMARY ROUTES FOR INTERSTATE AND DEFENSE TRAFFIC. THE FEDERAL GOVERNMENT CANNOT DIVORCE ITSELF FROM THESE RESPONSIBILITIES AND MOST STATES CANNOT AFFORD THE TOTAL COSTS OF CONSTRUCTING AND PRESERVING THESE NATIONALLY IMPORTANT SYSTEMS.

STANDARDS

THOSE SYSTEMS ABANDONED BY THE 2020 PROPOSALS WOULD NO LONGER BE SUBJECT TO FEDERAL CONTROL OVER STANDARDS, SPECIFICATIONS, POLICY AND CRITERIA FOR THE DESIGN, CONSTRUCTION AND MAINTENANCE. NO TWO STATES WOULD BE REQUIRED TO DESIGN OR CONSTRUCT CONSISTENTLY. PAST EXPERIENCE TELLS US THAT THIS WAS UNWORKABLE BEFORE THE FEDERAL REQUIREMENTS WERE IN EFFECT. IT WILL BE EQUALLY UNWORKABLE IN THE FUTURE. WITHOUT NATIONAL STANDARDS AND POLICIES, THE PROGRESS WE HAVE MADE IN REDUCED ACCIDENT AND FATALITY RATES WILL BE REVERSED.

FUNDING

THE CURRENT METHOD OF ALLOCATING USER FEES TO THE STATES WOULD CHANGE IN SUCH A WAY THAT THE LARGER STATES WOULD BENEFIT TO THE DETRIMENT OF THE LESS DENSELY POPULATED STATES, SUCH AS NEVADA. NEVADA, LIKE MOST LARGE, SPARSELY POPULATED STATES, HAS FOUND IT DIFFICULT TO MAINTAIN AN ADEQUATE HIGHWAY SYSTEM UNDER THE PRESENT FUNDING SCHEME. IT WOULD BE VIRTUALLY IMPOSSIBLE TO KEEP UP WITH THE SYSTEM UNDER THE NEW PROPOSALS EVEN THOUGH WE CURRENTLY HAVE THE HIGHEST GAS TAXES IN THE NATION.

ONE PROPOSAL WOULD ASSIGN 60 PERCENT OF THE FUNDS TO THE HSNS, WHICH WOULD BE MADE UP OF THE INTERSTATE AND A PORTION OF THE PRIMARY SYSTEM. EACH STATE WOULD BE GUARANTEED TO RECEIVE 90 PERCENT OF THE MONEY IT CONTRIBUTED TO THIS PROGRAM. PRESENT LAW GUARANTEES EACH STATE 85 PERCENT OF THEIR TOTAL USER FEES PAID WITHIN THAT STATE. THIS IN ITSELF REPRESENTS A 5 PERCENT INCREASE TO THE LARGER STATES, THE COST OF WHICH WILL HAVE TO BE BORNE BY THE SMALLER STATES.

FUNDING - CONTINUED

THE REMAINING 40 PERCENT OF THE MONEY WOULD BE TURNED BACK TO THE STATES TO DO WITH AS THEY PLEASE ("BLOCK GRANT"). ANY PUBLIC ROAD WOULD BE ELIGIBLE FOR FUNDING. IN NEVADA, UNDER PRESENT LAW, FEDERAL FUNDS MUST BE APPLIED TO 5,400 MILES OF HIGHWAY UNDER THE FEDERAL-AID SYSTEM. THIS SYSTEM CARRIES OVER 72 PERCENT OF THE VEHICLE MILES TRAVELED IN THE STATE OF NEVADA AND OVER 90 PERCENT OF THE HEAVY TRUCK TRAFFIC. UNDER THE 2020 PROPOSAL, 40 PERCENT OF THE MONEY WOULD BE ELIGIBLE TO BE SPENT ON ANY ONE OF THE 50,000 MILES IN THE PUBLIC DOMAIN IN THE STATE OF NEVADA. THIS WOULD SEVERELY AFFECT THE DEPARTMENT'S ABILITY TO ADDRESS THE HIGHER VOLUME ROADS AND THE ROADS OF STATEWIDE AND NATIONAL SIGNIFICANCE. ADDITIONALLY, THE ABSENCE OF CATEGORICAL FUNDING COULD CONCEIVABLY DESTROY THE BALANCE WE NOW HAVE BETWEEN URBAN AND RURAL AREAS.

THE FEDERAL HIGHWAY ADMINISTRATION'S NEW FEDERAL-AID PROGRAM BEING DEVELOPED PROPOSES FEDERAL PARTICIPATION RATES AS FOLLOWS:

ELIGIBLE WORK	FEDERAL MATCH
INTERSTATE 3R	90%
SYSTEM EXPANSION (NEW FACILITIES)	60%
SYSTEM OF NATIONAL SIGNIFICANCE	60%
NEW TOLL ROAD CONSTRUCTION	50%

IF THESE PARTICIPATION RATES BECOME PART OF THE NEXT HIGHWAY REAUTHORIZATION ACT, THE RESULT WILL BE A SIGNIFICANT REDUCTION IN STATE GENERATED FUNDS AVAILABLE FOR MAINTENANCE.

FUNDING - CONTINUED

PRESERVATION OF AMERICA'S EXISTING SURFACE TRANSPORTATION SYSTEM SHOULD BE THE PRIMARY GOAL OF ANY FUTURE NATIONAL TRANSPORTATION PROGRAM SINCE IT IS THIS SYSTEM WHICH PROVIDES THE BASIC NETWORK UPON WHICH THIS NATION'S ECONOMIC HEALTH AND INTERNATIONAL VITALITY DEPEND.

IT IS EASY TO UNDERSTAND WHY THE LARGE STATES SUPPORT THE AASHTO 2020 PROPOSAL AS IT IS NOW PRESENTED. THE COMBINED EFFECT OF THIS PROPOSAL IS THAT THE LARGER STATES WOULD RECEIVE BACK 94 PERCENT OF THE MONEY PAID IN FEDERAL TAXES IN THEIR STATES. THIS IS WELL IN EXCESS OF THE 85 PERCENT THEY ARE PRESENTLY GUARANTEED. SMALL STATES, LIKE NEVADA, WOULD SUFFER UNDER THIS PROPOSAL. SINCE THE FEDERAL HIGHWAY SYSTEM CAME INTO EFFECT, NEVADA HAS RECEIVED OVER TWO DOLLARS FOR EVERY DOLLAR OUR TAXPAYERS HAVE PAID IN USER FEES. WE CURRENTLY RECEIVE APPROXIMATELY ONE DOLLAR AND FORTY CENTS FOR EVERY DOLLAR CONTRIBUTED. CONSIDERING NEVADA IS A BRIDGE STATE (i.e., MOST OF THE TRAFFIC IS FROM PEOPLE OR GOODS WITH A DESTINATION IN EITHER CALIFORNIA OR EAST OF NEVADA), IT IS APPROPRIATE THAT STATES BENEFITING FROM THESE HIGHWAYS SHOULD CONTRIBUTE TOWARD THEIR CONSTRUCTION AND MAINTENANCE.

IT SHOULD ALSO BE NOTED THAT THE LARGE STATES HAVE ALREADY SEEN A TREMENDOUS INCREASE IN THEIR SHARE OF FEDERAL FUNDS. IN 1982, WHEN THE FEDERAL GAS TAX WAS RAISED BY 5 CENTS, THE LAW WAS CHANGED TO GUARANTEE THE LARGER STATES AT LEAST 85 PERCENT OF THE MONIES THEY HAD PAID IN TAXES. PRIOR TO THAT, THEY WERE RECEIVING BACK CONSIDERABLY LOWER PERCENTAGES SINCE THE MONEY WAS DISTRIBUTED ON THE BASIS OF A FORMULA WHICH INCLUDED LANE MILES OF HIGHWAY WITHIN EACH STATE.

FUNDING - CONTINUED

BY FAR, THE LION'S SHARE OF THE INCREASED TAXES PAID BY EVERY CITIZEN IN THIS COUNTRY WENT TO THE LARGER STATES. SOME STATES SAW INCREASES IN THEIR FEDERAL HIGHWAY PROGRAMS IN THE HUNDREDS OF MILLIONS OF DOLLARS. NOW THE LARGER STATES ARE ATTEMPTING TO RETURN TO THE TROUGH FOR EVEN A LARGER SHARE WHICH FURTHER REDUCES OUR ABILITY TO SUPPORT A NATIONAL TRANSPORTATION SYSTEM.

HIGHWAY TRUST FUND

THE FEDERAL HIGHWAY TRUST FUND SHOULD BE MADE PERMANENT, REMOVED FROM THE UNIFIED BUDGET PROCESS AND RELEASED FROM OBLIGATION LIMITATIONS. ALL INTEREST EARNED, ALONG WITH EXISTING BALANCES BEYOND THOSE PROVIDING AN ADEQUATE CASH FLOW CUSHION, SHOULD BE RELEASED TO THE STATES AND LOCAL GOVERNMENTS TO FUND NEEDED SURFACE TRANSPORTATION IMPROVEMENTS. INCREASED FEDERAL REVENUES ARE NECESSARY TO CARRY OUT THE NEEDS OF THE FUTURE FEDERAL SURFACE TRANSPORTATION PROGRAM.

FUNDING FOR TRANSPORTATION IS MUCH TOO IMPORTANT TO TURN OVER TO THE INDIVIDUAL STATES. AN INCREASE IN FEDERAL USER FEES IS NECESSARY IN ORDER TO PRESERVE AND ENHANCE OUR NATIONAL TRANSPORTATION SYSTEM.

A GAO REPORT (REQUESTED BY SENATOR ROBERT BYRD TO DETERMINE IF CURRENT AUTHORIZATIONS COULD BE INCREASED) CONCLUDED THAT THE HIGHWAY TRUST FUND "COULD SUPPORT A HIGHER LEVEL OF PROGRAM ACTIVITY BY INCREASING THE COMMITMENTS CURRENTLY AUTHORIZED."

HIGHWAY TRUST FUND - CONTINUED

IT IS COMMON KNOWLEDGE THAT THE HIGHWAY TRUST FUND COMMITMENTS HAVE BEEN LESS THAN REVENUES IN ORDER TO HELP REDUCE THE OVERALL NATIONAL BUDGET DEFICIT. IN THAT HIGHWAY USER FEES ARE DEDICATED REVENUES, THIS HAS RESULTED IN A SURPLUS IN THE HIGHWAY TRUST FUND. REMOVING THE HTF FROM THE UNIFIED BUDGET PROCESS WOULD ELIMINATE THE DECEPTION OF BUDGET DEFICIT REDUCTION AND INCREASE FUNDING FOR THE NATION'S CRITICAL TRANSPORTATION NEEDS. ADDITIONALLY, EXEMPTIONS FOR ALTERNATIVE FUELS SHOULD BE ELIMINATED.

CONCLUSION

IN CONCLUSION, NEVADA IS NOT ALONE IN ITS OPPOSITION TO THE AASHTO 2020 CONSENSUS AS PRESENTLY PROPOSED. THE WESTERN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS (WASHTO), AS WELL AS MANY OTHER STATES AND THE WESTERN GOVERNOR'S ASSOCIATION HAVE AGREED TO OPPOSE MUCH OF THE AASHTO 2020 PROPOSAL. I STRONGLY REQUEST YOUR FULL SUPPORT FOR A FUTURE FEDERAL AID PROGRAM WHICH WILL EMBRACE THE SAME BASIC SYSTEMS AND PROGRAMS AS THE ONES THAT EXIST TODAY. MANY IMPROVEMENTS CAN AND SHOULD BE MADE WHICH WILL INCREASE EFFICIENCY AND FLEXIBILITY WITHOUT SACRIFICING THE BASIC CONCEPTS THAT HAVE MADE THE CURRENT PROGRAM SO SUCCESSFUL.

MR. CHAIRMAN, I TRUST THESE COMMENTS WILL BE OF USE TO THE COMMITTEE IN YOUR EFFORTS TO EXTEND THE HIGHWAY PROGRAM. I STAND PREPARED TO RESPOND TO ANY QUESTIONS YOU MAY HAVE EITHER NOW OR LATER.

STATEMENT OF RALPH PETERS, PRESIDENT, ASSOCIATION OF IDAHO CITIES

PRESENTATION
TO

SENATE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

FIELD HEARING

ON
THE FUTURE OF FEDERAL HIGHWAY PROGRAM

TWIN FALLS, IDAHO
AUGUST 21, 1989

WE STAND TODAY AT THE BEGINNING OF A NEW DECADE, THE DAWNING OF A NEW CENTURY, AND THE BEGINNING OF A NEW AGE. WE CAN SAFELY SAY THAT THE POST WAR ERA IS OVER, THE NATIONAL DEFENSE HIGHWAY SYSTEM IS COMPLETE. IT IS TIME FOR A NEW FOCUS IN OUR TRANSPORTATION PLANNING. THE NOTION THAT THIS PLAN HAS TO ADDRESS AT LEAST THE SIX MARKET CLUSTERS IDENTIFIED IS APPROPRIATE. MANY OF US HAVE BEEN ON A MAJOR METROPOLITAN FREEWAY DOING 70 MILES PER HOUR WHEN THE SYSTEM GRID LOCKED FORCING EVERYONE TO RADICALLY BREAK TO A STOP, NOT ONCE BUT MULTIPLE TIMES AS THE SYSTEM ABSORBED, DIGESTED AND DISCHARGED VEHICLES. THESE VERY SERIOUS URBAN CENTER TRAFFIC PROBLEMS ARE UNIQUE AND DESERVE SPECIAL CONSIDERATION.

THERE IS A VERY REAL NEED FOR PUBLIC TRANSPORTATION FOR THE ELDERLY AND DISABLED. THIS TOO IS AN AREA OF SPECIAL CONSIDERATION.

BUT TODAY I WOULD LIKE TO FOCUS MY REMARKS ON THE NEEDS OF THIS AREA AND TO A LARGE EXTENT OF THE NEEDS OF IDAHO.

NORTH OF US FLOW THE PRISTINE RIVERS THAT ARE WORLD FAMOUS. THE WOOD, THE BIG AND LITTLE LOST, THE SALMON, THE SELWAY, LOCSA, CLEARWATER AND NORTH TO THE COEUR D'ALENE, THE NAMES ROLL OFF THE TONGUE WITH MANY MEMORIES. MANY OF THESE RIVERS ARE ONLY SPOILED SOMEWHAT BY THE ROADS THAT PARALLEL THEIR BANKS. SO AS ONE CAST FLIES TO WILE CUTTHROAT AND RAINBOW TROUT THERE CAN BE A CONSTANT FLOW OF VEHICLES UP - AND DOWN THESE ROADS. THE TIMES WHEN VEHICLES ARE NOT PRESENT CAN BE FEW. MANY OF THESE VEHICLES WILL BE LOGGING TRUCKS AND MOST OF THE OTHERS WILL BE FOREST SERVICE VEHICLES CARRYING PERSONNEL TO THEIR VARIOUS TASKS. THIS SCENE IS REPEATED OVER AND OVER THROUGHOUT THE PACIFIC NORTH WEST AS THE REGIONS RENEWABLE RESOURCE, ITS TIMBER IS HARVESTED AND MOVES TO MARKET. LOGS GO TO RAILROAD SIDINGS, OR TO MAKE UP LOG RAFTS TO BE FLOATED DOWN LAKES AND RESERVOIRS OR GO DIRECTLY TO SAWMILLS IN THE AREA.

THERE IS A STEADY FLOW OF LOGGING TRUCKS DELIVERING THEIR CARGO TO THE SAWMILLS IN THE RIVER VALLEYS OR TO THE PORTS IN LEWISTON AND CLARKSTON FOR SHIPMENT BY BARGE DOWNSTREAM AND TO A PACIFIC RIM MARKET. ALL DAY LONG A STEADY STREAM OF SEMI TRUCKS PULL TRAILERS LOADED WITH WOOD CHIPS FROM THE SAWMILLS LOCATED IN NORTHER IDAHO TO POTLATCH'S HUGE PAPER MILL AT LEWISTON WHERE TREES ARE CONVERTED INTO ALL TYPES OF PAPER FROM TOILET TISSUE TO CONTAINER BOARD. THIS PAPER IS SHIPPED FROM LEWISTON ALL OVER THE WORLD.

THERE ARE THREE PORTS LOCATED IN THE LEWISTON-CLARKSTON COMPLEX WITH THE PORT OF LEWISTON BEING THE MOST INLAND SEAPORT IN THE UNITED STATES. CARGO ARRIVING AT THIS PORT IS RELOADED ON BARGES BOUND FOR DOWNSTREAM POINTS, FOR PORTLAND, OREGON OR FOR SHIPMENT TO THE PACIFIC RIM COUNTRIES.

BREAD IS MADE FROM HARD RED WHEAT. HARD RED WHEAT IS GROWN IN THE DAKOTAS AND IN MONTANA. THERE IS A DEMAND FOR THIS WHEAT ON THE WEST COAST AND IN THE PACIFIC RIM COUNTRIES. TO GET THIS PRODUCT TO MARKET A STREAM OF TRUCKS FLOW FROM THE DAKOTAS AND MONTANA DOWN THE LOCKSA RIVER IN IDAHO INTO THE PORTS AT LEWISTON AND THERE THE GRAIN IS LOADED ONTO BARGES FOR SHIPMENT DOWN THE SNAKE AND COLUMBIA RIVERS TO ITS DESTINATION POINT.

THE PALOUSE SECTION OF NORTHERN IDAHO HAS SOME OF THE FINEST AGRICULTURAL LAND IN THE WORLD. DRY LAND FARMING ROUTINELY YIELDS 80 BUSHEL OF GRAIN TO THE ACRE OF SOFT WHITE WHEAT. THE AREA GROWS A QUANTITY OF MALT BARLEY AND 90 % OF THIS COUNTRY'S DRY PEAS AND LENTILS. THE WHEAT IS PRIMARILY SHIPPED FROM THE WEST COAST AND IS USED IN NOODLES AND CEREALS. THE BULK OF THE LENTILS ARE SHIPPED BY RAIL EAST AND OUT OF THE GULF PORTS WITH A HIGH DEMAND FOR THEM IN THE Middle East.

ALL AROUND YOU GROW BEANS, CORN, POTATOES AND SUGAR BEETS IN ADDITION TO THE FEED CROPS FOR THE DAIRY AND BEEF INDUSTRY. SOUTHERN IDAHO AND THE COLUMBIA BASIN IN WASHINGTON PROVIDE POTATOES, AND SUGAR AND THESE OTHER PRODUCTS TO A WORLD MARKET. NORTHERN IDAHO PRODUCES TONS OF GRASS SEED ANNUALLY AND WEST IS THE WORLD FAMOUS ORCHARDS OF WASHINGTON AND OREGON. WHO CAN DISCOUNT THE BEEF OF MONTANA AND WYOMING AS A SOURCE OF FOOD THE NATION AND THE WORLD.

GENTLEMEN, IN THE SCHEME OF WORLD ECONOMICS AND PARTICULARLY IN AGRICULTURAL PRODUCTS CONTRIBUTING POSITIVELY TO OUR BALANCE OF TRADE PAYMENTS, THE PACIFIC NORTHWEST PLAYS A VITAL ROLE. THESE PRODUCTS HAVE TO GET TO MARKET. YOU HAVE TO RECOGNIZE THE NATIONAL IMPORTANCE OF A SYSTEM OF HIGHWAYS THAT DELIVER THESE FARM PRODUCTS TO A PORT FOR SHIPMENT TO WORLD WIDE LOCATIONS.

YEARS AGO WE MADE THE MISTAKE OF DICTATING THE PRIVATIZATION OF RAILROADS AND TOOK ALL OF THE VEHICLE ROADS AND HIGHWAYS PUBLIC. WE HAVE SINCE ADOPTED A NATIONAL POLICY OF SUBSIDIZING FREIGHT SHIPMENT ON OUR HIGHWAYS AT THE EXPENSE OF A HEALTHY RAILROAD SYSTEM. TODAY THE RAILROADS IN OUR COUNTRY ARE BEING REMOVED, ABANDONED AND SCHEDULED FOR ABANDONMENT. OUR CONGRESS HAS APPROVED THIS PROGRAM AND WE HAVE TO PLAN OUR TRANSPORTATION FUTURE KNOWING FULL WELL THAT ONLY THE MAIN LINES OF OUR HISTORIC RAILROADS WILL REMAIN AND THAT ONLY THOSE FEEDER LINES CAPABLE OF BEING OPERATED AT A PROFIT BY A SHORT LINE SYSTEM WILL SURVIVE. AT THE SAME TIME NATIONAL POLICIES ARE BEING MADE THAT DICTATE LARGER CAPACITY TRUCKS OR TRUCK AND TRAILER COMBINATIONS ON OUR HIGHWAYS. THIS CREATES A DOUBLE IMPACT ON OUR ROADS IN THAT THE INCREASE SIZE AND NUMBER OF TRUCKS REDUCE THE LIFE OF OUR ROADS AND THE LENGTH OF THE TRUCKS REDUCE THE ABILITY TO PASS SAFELY ON TWO LANE ROUTES.

WE HAVE TO RECOGNIZE THE IMPACT ON RURAL AMERICA'S HIGHWAYS FROM THESE NATIONAL POLICIES OF ALLOWING RAILROADS TO BE ABANDONED AND FROM THE NECESSITY TO ALLOW LARGER TRUCKS TO PLY OUR HIGHWAYS.

ANY NATIONAL HIGHWAY POLICY HAS TO RECOGNIZE THE CONCEPT OF THE WESTERN STATES BEING BRIDGE STATES. YOU CAN'T GET FROM THE EAST TO THE WEST COAST WITHOUT GOING THROUGH WYOMING, MONTANA, IDAHO, UTAH, OR NEVADA. GENERALLY WE DON'T REPRESENT A DESTINATION BUT RATHER A LAND TO CROSS. WE ARE A BRIDGE FROM ONE PART OF THIS COUNTRY TO THE OTHER. IDAHO COULD PROBABLY GET BY WITHOUT ANY INTERSTATE WITH ONLY A MILLION PEOPLE, CERTAINLY WYOMING'S HALF MILLION OR MONTANA'S THREE QUARTERS OF A MILLION PEOPLE DO NOT NEED AN INTERSTATE SYSTEM. HOWEVER THE REST OF THE NATION DOES NEED AN INTER-STATE SYSTEM THROUGH THE WESTERN STATES. THIS CONCEPT MUST BE INCORPORATED INTO THE NEW NATIONAL POLICY BECAUSE, GENTLEMEN NOT ONLY CAN WE NOT AFFORD TO BUILD INTERSTATE SYSTEMS ON OUR OWN, WE CAN'T EVEN AFFORD TO MAINTAIN THOSE THAT EXIST TODAY.

THE WESTERN STATES HOLD A UNIQUE OPPORTUNITY FOR THE NATIONAL DEFENSE. OUR OPEN SPACES ALLOW FOR THE STORAGE OF MISSILES TO PROTECT MORE POPULATED AREAS, WE PROVIDE THE LAND FOR BOMBING PRACTICES, FOR LARGE AIR FORCE BASES AND FOR THE MANEUVERS OF GROUND TROOPS WITH THEIR TANKS. WE EVEN HAVE SUBMARINES TESTED IN OUR LAKES. IT IS EASY FOR AN EASTERNER TO ADVOCATE A PER-CAPITA SHARING OF THE FEDERAL HIGHWAY DOLLARS BUT THE EASTERNER DOESN'T HAVE A MISSILE RANGE FOR A NEIGHBOR. ACCESS TO THESE NATIONAL DEFENSE SITES REQUIRES FEDERAL PARTICIPATION.

THE THEORY HAS BEEN PUT FORTH THAT WE HAVE TO LOOK TO EXISTING BUSINESSES, OUR CITIZENS, AND OUR OWN TAX BASE TO FUND FUTURE ROADS. THAT IDEA IS FINE IF YOU ARE IN RHODE ISLAND BUT WE ARE IN IDAHO. GENTLEMEN SEVERAL OF THE

COUNTIES IN IDAHO ARE BIGGER THAN THE STATE OF RHODE ISLAND AND OUR AVERAGE COUNTY POPULATION IS LESS THAN 25,000 PEOPLE. RECOGNITION HAS TO BE GIVEN TO THE PUBLIC LAND HOLDINGS IN THE WESTERN STATES. THE PUBLIC, THE FEDERAL GOVERNMENT OWNS MORE THAN 60% OF IDAHO. THERE ISN'T ANY WAY THAT THE CITIZENS OF THIS STATE CAN SUBSIDIZE THE FEDERAL GOVERNMENT'S LAND HOLDINGS AND WE CERTAINLY CAN'T TAX THEM. THE FEDERAL GOVERNMENT THROUGH ITS FUNDING OF RURAL AMERICA'S ROADS HAS TO CONSIDER THE ABILITY OF THE CITIZENS IN THE STATES TO PAY. I SUBMIT IF YOU WANT TO PRESERVE LARGE BLOCKS OF LANDS FOR NATIONAL PARKS, NATIONAL WILDERNESS, AND GAME PRESERVES AS A NATIONAL RESOURCE THEN THE PUBLIC IN THE FORM OF THE FEDERAL GOVERNMENT NEEDS TO GET THEIR CHECK BOOK OUT. THESE NATIONAL PUBLIC AREAS HAVE TO BE SERVED WITH ROADS AND ROADS HAVE TO BE MAINTAINED.

IN SUMMARY THAN;

> THERE IS A PROPER ROLE FOR THE FEDERAL GOVERNMENT IN THE NATION'S SYSTEM OF ROADS AND HIGHWAYS.
>
> NATIONAL STANDARDS ARE IMPORTANT TO THE MOTORING PUBLIC.
>
> RECOGNITION HAS TO BE GIVEN TO PROVIDING FARM TO MARKET ROADS FOR THE AGRICULTURAL PRODUCTS AND NATURAL RESOURCES PRODUCED IN THE WEST.
>
> THE MASSIVE LAND OWNERSHIP OF THE FEDERAL GOVERNMENT HAS TO BE A FACTOR IN ALLOCATING FUNDS.
>
> THE PUBLIC HAS TO BE WILLING TO PAY FOR THE PRIVILEGE OF CROSSING THE WESTERN BRIDGE STATES.
>
> FEDERAL FUNDS ARE ABSOLUTELY NECESSARY FOR THE MAINTENANCE OF THE INTERSTATE SYSTEM AND OUR PRIMARY HIGHWAYS.
>
> A NATIONAL EFFORT IS NECESSARY TO BRING OUR BRIDGES UP TO A STANDARD THAT WILL CARRY THE TRUCK TRAFFIC WE EXPECT TO USE OUR ROADS.

National
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Testimony of

T. J. "Ted" Hackworth

on behalf of the

National Association of Regional Councils

before the

Subcommittee on Water Resources, Transportation and Infrastructure

Committee on Environment and Public Works

United States Senate

August 21, 1989

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Good morning, Mr. Chairman and distinguished members of the Committee. My name is Ted Hackworth. I am a member of the Denver, Colorado, City-County Council. I am also the Immediate Past President of the National Association of Regional Councils and Chairman of NARC's Transportation Task Force.

I applaud your desire to seek the views of regional and local officials as you prepare for reauthorization of the federal-aid highway program, and I appreciate the opportunity to appear before you today.

NARC is a membership organization representing the nation's 600 substate regional councils, where local governments work together on comprehensive approaches to issues that span jurisdictional boundaries—issues such as transportation access and mobility. Many of our member councils are designated as Metropolitan Planning Organizations.

This morning I would like to tell you why we believe a continuing federal role in surface transportation is critical to the nation's future economic health, and to describe the basic shape we believe the future highway program ought to take.

During the last 30 years, the primary focus of the federal-aid highway program was the construction of the Interstate System, and we have accomplished the objectives of this massive undertaking. We have an unprecedented level of mobility and access between states and regions. However, we have failed to develop a national system that provides a comparable level of mobility within our rural and urban regional communities. Urban areas increasingly suffer gridlock. Rural areas face growing isolation and deterioration of facilities. These conditions threaten our continued economic vitality and quality of life.

We now must reexamine and restructure our process for making transportation investments with an eye to the transportation needs of the 21st century. In doing so, we see three key issues.

First is the role of the federal government. The federal government must continue to play a significant role in meeting our transportation needs. The nation's economic vitality is at stake; our metropolitan and rural communities are the nation's basic economic building blocks. Gridlock and rural isolation are not a prescription for economic health and well-being.

The second issue is the structure of the current federal-aid highway program. We cannot expect to make the kinds of transportation investment decisions that we made in the past and still adequately provide for and manage our mobility needs. The new federal-aid program must recognize and support the concept of a single, integrated transportation system designed to match travel demand irrespective of facility ownership or jurisdictional boundaries. The new program must also provide flexibility to enable each region to fashion solutions unique to its demographics, development plans, and networks.

For a more flexible, comprehensive system approach, we propose that the myriad of current federal-aid highway and transit programs be consolidated into a three-tiered program. The three basic tiers would include: (1) an Interstate Preservation component; (2) a Strategic Metropolitan component; and (3) an Interregional/Rural System component. In addition, we recommend retention of separate bridge and safety programs, and the establishment of an economic enhancement program to provide discretion in funding projects that meet the special economic needs of some areas.

Recognizing the continuing predominant federal role and responsibility for the Interstate system, we suggest that the federal government continue to assume primary funding responsibility for maintenance of the Interstate system. The states would continue to administer this program much as they do today.

The Strategic Metropolitan System would be defined through an enhanced state/regional/local intergovernmental process based on national criteria. The system we envision would encompass the principal roads and transit routes in metropolitan areas, including key interconnections with the Interstate and actual expansions to or extensions of the Interstate. Maximum flexibility and a comprehensive systems approach will foster investment in those projects that will most effectively meet the goals of mobility, access, and economic development. The new program will enable choices to be made between highway and transit options, and between capacity expansion and system management strategies. These choices will reflect local priorities for land development, environmental protection, and mobility needs, as well as federal and state concerns and priorities.

The Interregional/Rural System would also be defined through a partnership of state, regional, and local officials. The system would include principal highway and transit facilities and services outside the metropolitan areas, including both statewide interregional and rural access facilities.

The third issue—and equally as important as changes to the federal-aid program structure—is structuring the intergovernmental decisionmaking process to strengthen the existing federal/state/local relationship.

First and foremost, all stakeholders must be included at the decisionmaking table. If our transportation system is to meet our future needs efficiently and cost-effectively, we can no longer afford to leave key players out of the decisionmaking process. If we hope to address barriers to economic vitality such as congestion, inadequate access, and rural isolation, we must have a better linkage between transportation investments and the basic land use and economic development decisions which are formulated and implemented at the local and regional level.

We recommend a strengthened metropolitan transportation planning process. Specifically, we see initiation and programming decisions for investments in the Strategic Metropolitan System being made at the metropolitan level by each region's key players: its local elected officials and representatives of the state, transit providers, industry and business, and others in the private sector.

We also envision a new rural planning process akin to the current planning process in metropolitan areas. This new rural transportation planning process would assure that investment decisions are consistent with and reflect local and regional development priorities and needs.

Mr. Chairman, those are—in a nutshell—our suggestions. Additional detail is included in a document I have brought for you. I respectfully request that this document, as well as my statement, be included in the hearing record.

Thank you. I appreciate the opportunity to share our ideas with you and will be happy to answer any questions you may have.

National Association of Regional Councils

Meeting Our Transportation Needs in the 21st Century

AT RISK: AMERICA'S ECONOMY

REGIONAL MOBILITY is fast approaching a state of crisis. Our nation's transit and highway systems are inadequate. State and local governments lack the ability to respond. This paper suggests a comprehensive, unified program to ensure that America moves into the next century at her best.

During the past 30 years, the federal transportation program has succeeded in building an excellent Interstate highway system to provide mobility between regions. However, it has failed to develop a system that provides a comparable level of mobility within regions. The result: a growing disparity between changing American development patterns and needed public investment in transportation infrastructure.

The livability and economic viability of our communities is threatened.

Urban areas suffer gridlock. Rural areas are isolated. The livability and economic viability of our communities is threatened. If the United States is to continue to compete in the international marketplace, it must rely on the economic viability of each and every region of the country.

Conditions are rapidly growing worse. Levels of deterioration increase. Truck and auto traffic pressures increase. Costs increase. Federal resources decrease. Furthermore, each region is unique, requiring a customized combination of freeway, expressway, arterial, and transit solutions that cannot readily be prescribed from Congress. Finally, the responsibility for meeting these needs is fragmented among thousands of different cities, counties, states, transit districts, regional councils, ports, and special districts.

THE CHALLENGE

The federal-aid highway program has been the largest and most successful public works undertaking in the world. Its contribution to our nation's productivity and international competitiveness is indisputable. Likewise, our nation's commitment to investment in mass transportation systems is more than justified by the social and economic benefits of enhanced mobility, particularly in central cities, older urban areas, and rural communities.

We are now at a crossroad. We have the opportunity to reexamine and realign our process for making transportation investments with an eye to the transportation needs of the 21st Century. The federal-aid Interstate program has been the driving force for highway investment since 1956; by 1991 the construction of the Interstate System will be virtually complete. The goal of the Interstate program–to connect our major metropolitan areas–has been largely achieved. Now the dimensions of our greatest emerging needs are intraregional and intrastate in scope: deteriorating urban and rural infrastructure, urban and suburban congestion, rural isolation, and the need to sustain economic development.

We have the opportunity....

The challenge is not simply to identify the tremendous need for increased investments in transportation infrastructure. This need is monumental and can be documented in virtually every state and community. Rather, the challenge is to realign the current national transportation program to address most effectively the emerging and very different transportation needs anticipated in the 21st Century.

The challenge demands a bold, new vision that relinquishes modal self-preservation and parochial investment decisions in favor of a comprehensive systems approach to moving people and goods. It must be coupled with a decisionmaking process that recognizes and includes all the stakeholders: local elected officials, transit operators, the states, the private sector, and the federal government.

THE CONCEPT:

A STRATEGIC REGIONAL SYSTEM

Our metropolitan and rural regions are the economic engines that drive the nation's economy. They encompass entire market areas and are America's economic building blocks. Our nation's continued vitality and enhanced competitiveness depend on our commitment to systematically address the emerging transportation problems of these regions: urban and suburban congestion, rural isolation, and economic development. This will require a change in the direction and approach of our current federal-aid program.

The transportation system is an integrated network....

How can we ensure system continuity and rational, cost-effective investment decisions? Our new program must recognize and support the concept of a single, integrated system designed to match travel demand, a system integrated irrespective of facility ownership or responsibility and jurisdictional boundaries. The transportation system is an integrated network much like a computer system. The parts are all complementary and interdependent; they must work together if the unit is to function effectively. The basic unit for planning and programming should correspond to the system, crossing local and state jurisdictional boundaries where appropriate.

The existing federal/state/local relationship must be strengthened....

Comprehensive–More logical and efficient investment decisions can be made with a comprehensive systems approach that provides:

- the structure and discipline necessary to evaluate transportation requirements and choices
- the basis for determining where improvements are most cost-effective
- the opportunity to eliminate many problems plaguing existing transportation programming: missing links, discontinuities, shifting of bottlenecks, mismatch in timing of complementary improvements, inappropriate design standards
- the means to evaluate and consider operational strategies, such as ramp metering, which impact more than one facility

Flexible–Program funding should be flexible enough to encourage cost-effective investments designed to strengthen urban and rural economies and support interstate commerce. Funding flexibility enables every area to tailor the transportation system to its unique local and regional development plans, and conversely, to fit local development decisions to a better defined and predictable transportation system.

In Partnership–The existing federal/state/local relationship must be strengthened to meet America's future mobility requirements. Local elected officials must be more involved; they make the basic land use decisions that impact the allocation of our transportation resources. In recent times, local governments have contributed an ever increasing share of the funds for new projects and services. States and the private sector are also providing additional resources; their vital interests must be reflected. A new partnership arrangement is needed. Changing roles and interests demand increased program flexibility and greater state and local control over investment decisions. A strengthened partnership arrangement must allow all stakeholders and investors to participate in the transportation planning and resource allocation process. Federal, state and local governments, transit operators, and the private sector all must play an active role.

A PROGRAM FOR THE FUTURE

A strong intergovernmental commitment to maintaining and expanding the nation's transportation system is essential for supporting economic growth into the 21st century. This commitment must recognize the differing responsibilities and capacities of the federal, state, and local levels of government and the critical linkages between the transportation system and land development, the environment, energy resources, and the mobility needs of the disadvantaged.

The partnership required between the various levels of government can be defined in terms of three transportation system categories:

- The Interstate System
- The Strategic Metropolitan System
- The Strategic Interregional/Rural System

The Interstate System–This system category includes the current 42,797 mile National System of Interstate and Defense Highways and would provide for its "capital maintenance"–restoring. resurfacing, rehabilitating, and reconstructing. The federal government would continue to assume the primary funding responsibility for this system category, in recognition of the continuing, predominant federal role and responsibility to preserve and maintain the Interstate system. The states would be responsible for matching federal funds allocated to them by formula and would administer all activities under the system

...commitment must recognize the differing responsibilities and capacities....

category. Future congestion may warrant expansions of the system. These expansions, whether on existing or new alignments, would be accomplished under the Strategic Metropolitan and Interregional/Rural System categories.

The Strategic Metropolitan System –This category includes all of the principal freeways and arterial roads in metropolitan areas, plus the major rail and bus transit routes and key interconnections between the highway and transit systems. Any capacity expansions of the Interstate system that lie within metropolitan area boundaries are also included. All segments in this category would have to meet national criteria of eligibility. The diverse conditions and priorities in the nation's metropolitan areas require maximum flexibility and discretion to maintain, manage, and expand the facilities in the metropolitan system category. Choices between highway and transit options and between capacity expansion and system management strategies must reflect local priorities for land development, environmental protection, and mobility needs, as well as federal and state concerns and priorities.

Funding would incorporate federal, state, and local matching shares, reflecting greater state and local financial commitments coupled with increased flexibility and control over decisions. Consistent with this principle, federal matching shares would be uniform for all projects on the system. Funding for projects on the system would be dedicated for use in Metropolitan Statistical Areas and would be allocated to individual MSAs or consolidated MSAs on a formula basis. Decisions on the allocation of funding to metropolitan system projects would be made through a collaborative intergovernmental planning and programming process which actively engages federal, state, regional, and local agencies. Intergovernmental or interagency issues would have to be resolved through this process for an MSA to continue receiving federal matching funds.

The Strategic Interregional/Rural System–This category includes all of the principal freeways, arterial roads, and major transit routes outside Metropolitan Statistical Areas; all segments within this system would have to meet national criteria of eligibility. Any capacity expansions to the Interstate system that lie within these geographical boundaries would also be included.

As with the Strategic Metropolitan System, decisionmaking in this category would have maximum flexibility and discretion to ensure that choices reflect the priorities and concerns of small urban and rural areas, as well as those of the federal and state governments. Funding would incorporate uniform federal, state, and local matching shares that reflect greater state and local financial commitments coupled with greater flexibility and control over decisions. Federal funding would be allocated to the states by formula. The states would administer the program using a collaborative decision-making process that actively engages federal, state, regional, and local agencies.

Funding–Several independent research studies point to a serious shortfall in the funding available for maintaining and expanding the nation's transportation system. A greater commitment of funding will be needed from all levels of government and from private sources, such as tolls and impact fees, if the transportation system is to support economic growth into the next century.

At the federal level, user fee revenues that accrue to the Highway Trust Fund should be spent in a timely manner for the purposes for which they are intended, not maintained in the Fund to mask the true magnitude of the federal budget deficit. The Highway Trust Fund and its administration by the U.S. Department of Transportation should be continued. The existing user fee system should be retained, with users paying according to the costs they occasion. Future user fees should be adjusted regularly to keep pace with changes in the costs of adequately maintaining and expanding the transportation system.

> The transportation program outlined here is designed to respond to current inadequacies in the maintenance and expansion of the nation's transportation system. As the Interstate system nears completion, a new intergovernmental commitment must be made to ensure that shortcomings in the transportation system do not inhibit economic growth.
>
> The intergovernmental transportation commitments that were made three decades ago provided an effective underpinning for national economic growth. Now is the time to ensure that the nation's transportation system can be equally effective in supporting continued growth of the national economy in the decades to come.

ARTBA
American Road & Transportation Builders Association

Testimony of James R. Madara
Vice Chairman, American Road & Transportation Builders Association
Before the
Water Resources, Transportation & Infrastructure Subcommittee
Senate Environment & Public Works Committee
Field Hearing. Twin Falls, Idaho
August 21, 1989

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Introduction

On behalf of the American Road and Transportation Builders Association, I am pleased to testify before this subcommittee on the reauthorization of the federal-aid highway program. For the record, I am James R. Madara, president of Gannett Fleming West, Inc., in Los Angeles, California.

I am currently western regional vice chairman of ARTBA, a Washington, D.C.-based trade association that has provided representation for the transportation construction industry since 1902. Our more than 4,000 members nationwide come from both the public and private sectors. We represent not only construction firms, but also state and local transportation officials, manufacturers, engineering and design firms, material suppliers and educators in the fields of transportation planning and civil engineering.

ARTBA believes that the decisions made by Congress regarding the forthcoming reauthorization of the federal-aid highway program will have a direct impact on our nation's safety, mobility, economy and defense preparedness in the next decade. The organization is also concerned with ensuring that the monies paid by American motorists are spent in a timely manner for their intended purpose: making necessary improvements to our surface transportation network.

Current investment in our surface transportation system is simply not sufficient to finance the existing road and bridge improvement needs and to keep pace with necessary system improvements and capacity expansion. This would be true even if revenue raised for the Highway Trust Fund were being spent in its entirety. Reduction of the current trust fund balance is the first step. More than this is required if growing transportation needs are to be met.

Dozens of credible studies -- including those conducted by the U.S. Department of Transportation, the National Council on Public Works Improvement, the "Transportation 2020" project, the American Transportation Advisory Council -- show that America's transportation infrastructure is failing. It simply will not be able to sustain continued economic growth in the next century unless investment is increased at all levels of government. While these studies vary in their "needs" assessments, a bare minimum of $80 billion per year will be required just to maintain existing physical conditions of our nation's highways, roads and bridges.

But maintaining the "status quo" should not be our goal, for existing conditions are unsatisfactory. According to the Federal Highway Administration, about 22 percent of U.S. bridges are currently classified as "structurally deficient". One-quarter of our Interstate mileage is now rated in either "poor" or "fair" condition. Other road surfaces on the primary, secondary and urban systems fare little better.

Just as a well-functioning transportation system makes a positive contribution to the U.S. economy, a failing network of roads and bridges stifles our economic growth and increases the costs of moving goods and people across the U.S. These costs are ultimately passed along to the American public through higher prices on products and increased expenses for motorists.

For example, a large steel company in the Midwest estimates that it paid at least $1 million a year in additional costs to detour its trucks 18 miles around a major bridge that the state had closed for lack of repair. This situation exists as well in other parts of the U.S. when bridges are shut down because of unsafe conditions, as in the case of New York's Williamsburg Bridge.

Motorists also bear the burden, through productive time lost to delays, added fuel costs, and increased wear-and-tear on vehicles because of poor road conditions. It is estimated that the annual national cost of such congestion and road deterioration is about $16.2 billion -- or nearly $100 per motorist.

While state and local governments -- and, increasingly, the private sector -- will have to shoulder some of the burden in getting our surface transportation system up to speed in the 1990s, ARTBA believes the federal government will also have to expand its financial support and maintain a leadership role in order to meet these pressing needs.

Financing the Federal-Aid Highway Program

ARTBA believes that, in the next reauthorization cycle of the federal-aid highway program, the federal government should increase substantially its investment for repairing or replacing deficient roads and bridges and expanding capacity to meet our growing transportation needs. The current $14 billion per year level of investment will not be sufficient to get the job done. The various user fees which comprise the revenue to the Highway Trust Fund must be increased.

A token increase will not be sufficient. The Federal Highway Administration in a document released last November states that an annual federal-aid highway program of $40 billion is needed to return our highway system to its designed level of servicability. ARTBA concurs in this analysis.

This level of funding can only be achieved by increasing user fees on motor fuels at the federal level, repealing the existing excise exemption for "gasohol" products, closing fuel tax collection loopholes and drawing down on the massive unexpended balance in the Highway Trust Fund to finance this expanded program. ARTBA "s Board of Directors has initiated a policy statement on the reauthorization of the Federal-aid Highway Program. The policy recommends such a substantial increase in funding as discussed earlier.

A highway program of $40 billion is proposed by the Board for presentation to Congress when the 1991 reauthorization is under consideration. While the proposal requires yet some fine-tuning, ARTBA asks that the Subcommittee give careful consideration to the issue of needs versus funding presented in ARTBA Policy Statement on Highway Program Reauthorization when formally presented to Congress later this year.

As of May 31, 1989, the total equity in the Highway Trust Fund equalled $16.4 billion: $10.5 billion in the highway account and $5.9 billion in the mass transit account. These user fees, dedicated solely to transportation improvements, sit idle gathering interest while being used to improve the federal budget deficit situation "on paper."

A similar situation exists in the Airport/Airway and Inland Waterways Trust Funds. The Congressional Budget Office estimates that, should this situation continue, the balances in these three transportation trust funds could reach $48.6 billion by 1994.

Allowing such balances to mount up while needs go unmet clearly breaks faith with the American people who pay these taxes. Furthermore, even increasing user fees to address unmet needs will do little to expand the scope of the federal-aid highway program when artificial spending caps are placed on authorizations because of the constraints of the Balanced Budget Act.

Accordingly, ARTBA believes that the federal-aid highway program should be removed from the unified federal budget since it is essentially self-supporting. All revenue now in the Highway Trust Fund (with the exception of the reserves required by the Byrd Amendment), future revenues and accruing interest should be spent in a timely manner for road and bridge improvements. In addition, serious consideration should be given to establishing separate operating and capital budgets for the federal government.

Another method of raising revenue for surface transportation programs is repeal of the "gasohol" subsidy. This six-cent-per-gallon federal excise tax exemption drains nearly $500 million in revenue annually from the Highway Trust Fund, even though vehicles powered by alternative fuels inflict the same damage on roads and bridges as those running on regular motor fuels.

With the likely imposition of alternative fuel use mandates in areas with serious air pollution problems -- as advocated by the Administration and Congress in proposed legislation to amend the Clean Air Act -- this revenue loss will grow in the next decade unless this tax exemption is repealed.

Finally, in order to secure maximum funding for surface transportation programs, it is essential that Congress reject any attempts to increase the federal motor fuels tax for non-transportation purposes. While proposals to increase the gasoline tax for deficit reduction were not successful this year, the congressional budget and tax committees will no doubt revisit this territory when preparing plans for fiscal year 1991.

A particularly disturbing indicator of such intent comes in the House Ways and Means Committee's budget reconciliation proposal for fiscal year 1990, which contains a plan to channel nearly $1 billion in aviation user fees from the Airport/Airway Trust Fund into the general fund in order to meet federal budget targets. If adopted, this action would set an extremely dangerous precedent for Highway Trust Fund revenues. It is incumbent on this subcommittee to reject any such attempts to compromise the integrity of the transportation trust funds.

Structure of the Post-Interstate Highway Program

The federal government should continue its commitment to the Interstate System by providing sufficient funding to complete the system on schedule, maintaining its existing infrastructure, and expanding capacity where warranted.

ARTBA also recommends an increase in federal funding for Interstate 4R programs and continuation of existing laws that allow for the transfer of Interstate construction funds to I-4R work. Routes that are added to the Interstate System, in order to increase capacity, should also be eligible for I-4R funds.

As the Interstate System nears completion in the early 1990s, ARTBA believes renewed attention and financial support should be given to decreasing urban/suburban congestion and expanding capacity on existing roadways that are now subject to greater-than-anticipated traffic. The FHWA estimates that 61 percent of urban freeways are currently congested during "rush hour" -- up from 40 percent just a decade ago. Indications are that this situation will only worsen in the very near future.

The condition of U.S. bridges is of particular concern. The FHWA estimates that it will require over $50 billion to bring America's existing deficient or obsolete bridges up to standard -- not counting the new deterioration that will occur each year. At current levels of funding, it would take over 30 years just to correct current deficiencies. Therefore, ARTBA believes federal funding for the bridge replacement and rehabilitation program must be increased substantially.

ARTBA supports federal funding for new transportation corridors in high-economic growth areas not currently served by the Interstate System. The nation's rural and secondary roads should also be upgraded, with some financial support coming from the federal government.

An increase in federal funds will be required for projects that provide an integrated solution to traffic congestion problems, through highway research, development and technology transfer. ARTBA also supports increased funding for expanded highway safety programs.

Finally, in order to meet financing needs that will outstrip the resources of federal, state and local governments, ARTBA believes there should be increased emphasis on such funding alternatives as mixing toll funds with federal-aid monies and increased privatization of road and bridge ownership. States should also be given greater flexibility in utilizing various approaches to surface transportation infrastructure financing.

That concludes my testimony. ARTBA appreciates the opportunity to present its views before this subcommittee. I would be happy to respond to any questions you might have on this subject today or in the future.

-A PROGRAM FOR NATIONAL MOBILITY AND SAFETY-
Building the Framework

POSITIONS OF THE
INSTITUTE OF TRANSPORTATION ENGINEERS
on the
FUTURE OF THE FEDERAL-AID SURFACE
TRANSPORTATION PROGRAMS

September 1988

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INTRODUCTION

The Institute of Transportation Engineers (ITE) is the scientific professional society of those engaged in planning, designing, operating, managing and maintaining the surface transportation systems of the world. We have over 9,000 members in more than 70 countries who are employed by all levels of government, consultants, industry, and universities. Approximately 8,000 of our members practice their profession in the United States, and are involved primarily in highway and mass transit systems.

The Institute has consistently provided input to the Administration and Congress on a broad range of highway and mass transit issues. This input has reflected the collective knowledge and interest of the transportation profession. In recent years, the Institute has also been an integral part of the 2020 Transportation Consensus Program and other cooperative efforts addressing the future of transportation in this country.

The following represents the official positions of the Institute on the future of the federal-aid highway and transit programs. These positions have been developed because American mobility is facing major challenges. Transportation programs must be developed that look beyond 1990 and the completion of the Interstate construction to the longer term. With the Interstate System essentially complete, a new major legislative thrust should be considered to lay the groundwork for transportation needs of the future.

THE MOBILITY CRISIS

> *Concern over worsening urban traffic congestion was a major issue at virtually every Transportation 2020 forum, with witness after witness describing the national, state, or local extent of the problem and the expectations for continued traffic growth.*
> "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, Washington, DC, 1988.

> *Quality of service in terms of congestion is declining. Spending for system expansion has fallen short of need in high-growth urban and suburban areas.*
> "Fragile Foundations: A Report on America's Public Works", National Council on Public Works Improvement, February 1988, Washington, DC, 1988.

> *Collectively, the worker boom, suburban commuting boom, and auto commuting boom have created an explosion in commuting by private vehicle. Clearly, the character of commuting demand has been changing, and will continue to do so through the remainder of the century. The effects of these new patterns of commuting flow on the highway system are substantial.*
> "Commuting In America", Alan E. Pisarski under direction of The Steering Committee for the National Commuting Study, Eno Foundation for Transportation Inc., Westport, CT, 1987.

Over the years, the funding from the Highway Trust Fund and the states has been used primarily for the development of a viable highway system of national defense and for interstate commerce. Although this still represents a very beneficial expenditure of funds, the increasing congestion problems in urban areas indicate that it is time to consider broader options.

"The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, Washington, DC, December 1987

Traffic volume has almost tripled since 1956, the year the Interstate system was begun, and continues to grow at an astounding four percent a year. This steady demand for new mobility has far outstripped the nation's investment in increased transportation capacity.[1] The time we now spend delayed in traffic is being measured in billions of hours each year, time which could be more productively spent elsewhere. With 75 percent of our population now living in metropolitan areas, traffic congestion is directly affecting most of us in our everyday travel, and it is affecting all of us by diminishing air quality, wasting fuel, and dampening economic growth.

National reports and studies are clearly identifying traffic congestion as one of the most - if not the most - critical transportation issues facing this country. While traffic congestion in our urban areas has been with us since the horse and buggy days, the magnitude and pervasiveness of the problem now and in the future is unprecedented. Only a few years ago almost the exclusive "privilege" of the center cities, traffic congestion has become a major concern in metropolitan areas in every part of the United States.

In response to the question, "Is traffic congestion a serious problem in your community?" posed as part of the 2020 Transportation Program forum effort, 80 percent of the over 20,000 surveys returned from 27 states reporting replied "Yes", far outstripping any other transportation concern.[2]

Newspaper stories collected from around the country bear witness that this concern is shared in urban areas of all sizes. This is confirmed by statistics from the Federal Highway Administration, which show congestion increasing even faster in small metropolitan areas than in large metropolitan areas.[3] Endemic congestion affects large portions of San Francisco, Los Angeles and Orange Counties, Houston, Dallas, Denver, Detroit, Washington, DC, Northern New Jersey, and Long Island, to name just a few.

In many of these areas, public opinion surveys indicate that traffic congestion has superseded crime, housing, and pollution as the number one concern. Congestion is fast becoming a potent political issue, with candidates for office winning and losing on this one issue alone.

As facilities have become congested to their limits, peak periods have been spread over more hours. The term "rush hour" has become an anomaly. Congestion lasts much more than an hour, and no one is rushing. In many cities, the "rush hour" lasts 12-16 hours a day. Trying to avoid heavy traffic periods is becoming akin to being a prisoner in our own homes.

Between 1970 and 1980, the population of urban areas in the United States increased 37 percent. Boundaries of metropolitan areas have grown to encompass multiple local jurisdictions, and often include two or more states. States and the federal government are therefore being asked to take part in a broad range of local issues. Rural areas that federal and state governments have been historically responsible for are in many cases now becoming suburban areas. However, the federal and state agencies are still responsible and must now also deal with the developers and other players.

Traffic congestion is now being experienced throughout metropolitan areas. Today, trip origins and destinations are widely dispersed, more and more trips begin and end in the suburbs, and travel patterns resemble Brownian motion - they appear random in nature and go in every direction all at once. Deteriorating downtowns of the 1950's and '60's have turned around, and the number of CBD trips has stabilized. At the same time, the number of suburban trips is expanding. The popular image of the commuter trip as being suburb-to-center city oriented is no longer valid, if it ever was. The dominant commuter flow pattern is suburb-to-suburb at twice the "traditional" pattern of suburb-to-center city travel.[4] In addition, suburban travel is almost entirely by automobile.

The conventional perception of large downtowns being found only in the central cities no longer reflects reality. City Post Oak near Houston, with its 16 million square feet of office space, 3.3 million square feet of retail space and a daytime population of 60,000, is called "the tenth largest downtown in America." When its current expansion program is completed, Tysons Corner will become "the largest downtown in the Commonwealth of Virginia."

It is not unusual for a major development of five million square feet to be completed within a span of four to six years. By contrast, traditional city downtowns took several generations to reach their present size and density. Unlike in the gradually developing central cities, there has been no long term evolution of a hierarchy of roadway systems appropriate for suburban areas, i.e., arterials, collectors. A more or less random system is currently in place in many areas.

One effect of the growing competition for available road space is that Interstate and other facilities serving interstate commerce functions are increasingly used for commuting in the absence of adequate local facilities. This seriously imperils the ability of the Interstate System to perform its interstate commerce mission, and will eventually require relief either in the form of local substitutes for lost interstate capacity, or new interstate facilities to do the job intended for the original system. Present competition between the needs of the local commuter and the needs of long-distance interstate traffic (along with other local traffic) on the same limited road space will be a critical concern in the future.[5]

What were once "outer beltways" around metropolitan areas like Atlanta, Washington DC, and San Antonio have now become merely links in the suburb-to-suburb commuter network. They are now even being called "inner loops" around the older established sections of metropolitan areas. What were once bypass routes have now become major commuter routes as businesses develop along these various "accessible" freeway corridors.[6]

Delivery of goods and services to commercial establishments is becoming more difficult, particularly as the "just in time" delivery concept spreads. Traffic congestion is adding to the costs of all transportation service, another impediment to national economic health.[7]

Traffic congestion is also an impediment to our own health. Vehicle emissions account for 28 percent of all emissions of hydrocarbons - which lead to ozone pollution. Most of our metropolitan areas are not in compliance with federal standards for safe ozone levels, due in large part to the growing congestion problem.

Many of the most pressing road needs today are between small and poorly staffed jurisdictions. Many suburban jurisdictions don't even have a staff of transportation professionals. Often, these jurisdictions must depend on others for this expertise, including the developers. In recent years, there have been detrimental revisions to the functional organization of many state and local traffic engineering units. In addition, universities are not attracting enough motivated and competent students into transportation engineering. In the traffic operations area, there is already a critical demand for more people.

Many of the long-range transportation studies for major urban areas were conducted during the late 1960's and early 1970's when demographic conditions and travel patterns were completely different than they are today. Many major urbanized areas have not conducted comprehensive updates of their transportation plan for a number of years. There is a significant cost involved in conducting such a study, and the tight budgets of recent years have seen this aspect of regional planning virtually ignored.

The Federal Highway Administration estimates that, if improvements aren't made, traffic congestion delay will increase by over 400 percent on urban freeways and by over 240 percent on urban signalized arterials over the next 20 years.[8]

With limited highway funding programs, a growing economy, stable fuel prices, and continued growth in most urbanized areas, traffic congestion will increase in the future and must be dealt with.

SETTING A NATIONAL TRANSPORTATION POLICY

Despite this growing mobility crisis, America has no national plan to deal with this surging transportation demand. Our present programs make little provision for the future. Current highway and mass transit policies do not address the mounting investment shortfalls and the worsening traffic congestion and driver frustration that we know so well today, much less the traffic conditions that future generations can expect. We must begin now to plan the kind of transportation we want to leave as our legacy.[9]

The essence of the future surface transportation program should be derived from the development of a United States definitive transportation policy which includes long-range goals and clear attainable objectives. The development of such a policy is necessary to provide program direction, to guide decisionmaking, and to evaluate success.

No single approach to addressing our long term transportation needs will be adequate. More money alone will not suffice. More effective management alone will not get the job done. Technology will not save the day. The complexity of these systems and their attendant problems demand a broad based strategy.[10]

The goals and objectives of the national transportation policy should be to:

- Assure uniformity of conditions among the states
- Maintain and rehabilitate the Interstate system
- Alleviate traffic congestion in our urban and suburban areas
- Reduce traffic fatalities and injuries
- Promote interstate commerce and economic development
- Reduce reliance on fossil fuels
- Improve air quality
- Provide adequate and predictable levels of transportation funding
- Treat all the elements of the transportation network as integral parts of one system
- Improve the transportation planning process, and provide better coordination with land development
- Allow decisions of national concern to be made at the national level, decisions of state and regional concern to be made at the state and regional levels, and decisions of local concern at the local level
- Reduce the delays from project inception to implementation
- Assure that an adequate supply of trained transportation professionals will be available to address the transportation needs of the future
- Initiate a major transportation research program

ITE Recommendations - National Transportation Policy

- **Develop a United States definitive transportation policy which includes long-range goals set by the President and Congress and clear attainable objectives to be carried out by the Department of Transportation. This policy should use the inherent advantages of each mode of transportation in pursuit of safe, effective, and efficient movement of persons and goods.**

TRANSPORTATION FUNDING AND THE FEDERAL DEFICIT

How can the growing needs for transportation funding be met at the same time that the federal deficit must be brought under control? The answers lie in responsible fiscal management and in transportation user fees.

As experience with the Highway Trust Fund has shown, the public will support payments by users of a government service into a trust fund designated to support that service. Public support for the 1982 nickel-a-gallon increase in gas taxes at a time that other taxes were being cut is a testament to this. Programs paid for out of user fee supported trust funds do not add to the federal deficit.

Over the last 30 years, highway users have been paying fees into the Highway Trust Fund in the belief that these user fees would be used exclusively to plan, build, operate and maintain a safe and efficient highway system. Until recently, this has been true. In recent years, however, this trust on the part of users has not been fully justified. Each year, spending on highways is being capped by obligational limitations that are much lower than the revenues going into the trust fund. Consequently, the unused cash balance in the Highway Trust Fund has been exceeding $10 billion for highways and $5 billion in the mass transit account.

Why is this taking place in an era of critical unmet highway needs? Because the excess of revenues collected over expenditures gives the *appearance* of helping to reduce the federal budget deficit. This is despite the fact that the money sitting in the Highway Trust Fund cannot be spent on other government programs.

The federal budget deficit will only be controlled by exercising responsible fiscal management. This should not include the masking of the true size of the deficit by maintaining unobligated balances in user supported trust funds. Transportation trust funds should therefore be removed from the federal budget. This will not only eliminate the temptation to engage in artificial bookkeeping, but will also keep faith with the nation's traveling public who have paid these user fees with a specific purpose in mind.

The imposition of a significant increase in the federal fuel taxes to be applied to the reduction in the federal budget deficit - and *not* for transportation purposes - is being considered. Such an action would severely hamper the ability of governments to raise such user fees in the future to fund needed transportation improvements, thereby crippling the proven concept of user-paid-for transportation programs.

An efficient transportation system is essential to the nation's economic vitality and world competitiveness. The ability of manufacturers to build and deliver products and the ability of states and communities to attract new industry and sustain economic growth are directly dependent on the transportation system. A sound transportation system is the backbone of the nation's economic growth and productivity. In addition, investment in our transportation system directly creates jobs. Providing adequate funding for our transportation system can therefore help to generate additional tax revenues and can actually be used as a tool to help reduce the federal budget deficit.

ITE Recommendations - Transportation Funding and the Federal Deficit

- **Remove from the federal budget the transportation trust funds and programs paid for out of these trust funds so that the unmet transportation needs can be addressed.**
- **Do not use increases in the fuel taxes to reduce the federal budget deficit. These user fees should not be used for non-transportation purposes.**
- **Use increased investment in the transportation system as a tool to spur the nation's economic growth thereby helping to reduce the federal budget deficit.**

OVERALL FUNDING LEVELS

In recent years, the Institute has not called for significant increases in the funding levels for highway and transit programs. Although there was a need for transportation funding increases, we pointed out that transportation professionals do not live in a vacuum. It was recognized that the solvency of the Highway Trust Fund and the size of the federal budget deficit would for the time being temper the amount of resources that could be allocated to the transportation programs. The Institute only asked that transportation programs not be asked to absorb more than their fair share of budget cutbacks.

We can not ignore the fact however, that this country has been negligent in its capital public works investment in recent years. Public works capital outlays have declined from 2.5 percent of the gross national product down to 1.3 percent over the last 25 years.[11] The resulting problems will not be corrected by a crash program, but through a long term commitment.

Federal aid programs for highways and transit have in fact been significantly cut back over the years, including significant reductions since 1982. In addition, unwarranted exemptions, diversions, and evasion of payments into user financed transportation trust funds have further eroded the resources available.

Cutting transportation budgets, however, did not cut transportation needs. The explosion in traffic growth has far outpaced our ability to accommodate it with existing resources. All forecasts indicate that traffic will continue to increase well into the next century. The nation is facing a mobility crisis that can only be met if all levels of government and private enterprise implement programs which include significant increases in transportation funding. A deteriorating transportation system in the long term will only serve to exacerbate the nation's economic problems.

The federal government must take the lead. We cannot wait any longer. Funding for federal-aid highway and transit programs must be increased. We need to initiate a strategic approach for an adequate and predictable transportation funding program which can serve us well into the next century. A schedule of increases in user fees payable into the Highway Trust Fund should be committed to now. A predictable funding source for transit needs to be established.

The full amount of money that has been and will be collected for the Highway Trust Fund should be authorized and appropriated for highway transportation. Funding levels available for mass transit should immediately be restored to the authorization levels contained in the 1987 Surface Transportation and Uniform Relocation Assistance Act.

ITE Recommendations - Overall Funding Levels

- **Initiate a strategic long-term funding plan for highways and transit. Schedule staged increases in user fees into the Highway Trust Fund. Develop a predictable funding source for transit.**
- **Increase highway and transit spending to the maximum level that can be supported by the Highway Trust Fund and other funding sources. Draw down the cash balance in the Highway Trust Fund. Restore transit funding to at least the level authorized in the 1987 Surface Transportation and Uniform Relocation Assistance Act.**

HIGHWAY TRUST FUND

The Institute supports the continuation of the Highway Trust Fund and urges that it be made permanent at this time. A predictable funding source is essential to facilitate the planning, construction, operation, and preservation of the nation's highway facilities by transportation professionals. The Highway Trust Fund has provided this fund source. As explained earlier, the inclusion of the Highway Trust Fund in the federal budget has adversly affected the predictability of this fund source in recent years, and the Highway Trust Fund should therefore be removed from the federal budget.

The federal tax exemption on gasohol is having a growing adverse effect on Highway Trust Fund revenues. This exemption will have cost the Highway Trust Fund an estimated $5 billion - an average of $0.5 billion a year - through 1995. If the purpose of the gasohol exemption is energy conservation, it should not take money from the source of funding necessary to implement energy efficient transportation improvements. Therefore, if federal policy retains fuel tax exemption subsidies, they should be financed from general revenues, not the Federal Highway Trust Fund.

ITE Recommendations - Highway Trust Fund:

- **Make the Highway Trust Fund permanent at this time.**
- **Remove the Highway Trust Fund fuel tax exemption for gasohol.**

STRUCTURING A NEW NATIONAL PROGRAM FOR MOBILITY AND SAFETY

In the 1970's and 1980's, frequent changing of funding levels, priorities, program emphasis, additions and deletions of programs and delayed approvals of interstate cost estimates contributed to time consuming confusion, restructuring, and administrative delay at the federal, state, and local levels. These circumstances do not provide government agencies adequate time to start-up or revise programs. Our members at all levels of government and industry have consistently pointed out that just as soon as everybody has learned how to "play the game", somebody changes the rules.

This nation's transportation needs cannot be met by see-saw financing. Programs are needed that can be relied on to be in effect to cover the timeframe of a typical project, from planning through construction. Authorizations for 5-year periods or longer would help maintain a needed degree of stability and predictability, as would allocation of funding by formula rather than discretionary grants. Formulas for apportionment should be simplified and should be based on parameters which truly reflect transportation needs, rather than on such "measures" as rural delivery and intercity mail routes now being use to apportion federal-aid primary and secondary system funds.

Funding for individual local projects should not be mandated in national legislation - even when they are given the label "demonstration projects". Projects that receive available funding should be identified by transportation professionals working with state and local officials to determine the priority of improvements in accordance with identified needs and expected project benefits.

The Federal Highway Administration alone now administers over 900 separate classifications of funds. In the development of the federal-aid transportation program of the future, we will have to seriously ask ourselves whether the myriad of federal funding categories for highways and transit - set up separately by highway system and mode in accordance with historical precedence - are obsolete.

These narrow program categories have too often resulted in pursuing projects based on the funding category available. The program structure has determined what problems would be dealt with, instead of the problems determining where the funds would be spent. We cannot afford such artificial setting of priorities in the future. The consolidation of the current federal-aid programs into a limited number of broad categories and/or block grants will better allow us to apply solutions to alleviate our most critical transportation problems within the limited funding resources available.

Block grants that have specific objectives and can provide an improved ability to address major problems should be the foundation of the new national program for mobility and safety. Interstate mobility, the urban traffic congestion problem, traffic safety, transportation in small urban and rural communities, and transportation research warrant special attention. Our ability to address these problems would be enhanced if funding, policies, and design standards were made more flexible, and if the project development and approval process were streamlined to reduce the delay from project inception to implementation.

The form and function of these broad program categories or block grants will be critical to success. Not just any block grant program will do. For example, a number of recent proposals on the future of the federal-aid highway and transit programs have suggested a 2-tier approach - dividing current programs into those of "national significance" and those of "state and local interest". Proponents of these proposals would combine programs in the second group into a "catch-all" block grant and turn them over to the states for their administration.

Under this proposal, the block grant concept would be used as a first step to reducing the federal leadership role in such critical areas urban traffic congestion and highway safety. As we have documented, traffic congestion and traffic accidents are problems of growing national significance. The federal government should not take a step back in the face of these emerging challenges.

The current Federal-aid Urban System comprises 3.5 percent of the highway mileage, but carries almost 22 percent of the vehicle miles traveled in the United States. This reflects the role of urbanized areas as the national centers of trade, manufacturing, finance, and cultural development. This, along with the urban traffic congestion problems, makes it difficult to justify placing the Urban System into a category of lesser "national significance".

Proposals that would lump such disparate programs as the Urban Systems program and the non-construction safety programs into a block grant with the Secondary Road and Off-System Bridge Programs would therefore not be appropriate. The problems that must be addressed on today's urban highways are different than those that exist on rural secondary roads and off-system bridges. The planning, design, and implementation of the solutions also differ among these programs.

The federal-aid transportation program should encourage a true federal-state-local partnership. This partnership will be enhanced if states are allowed to make the decisions that are of primary concern at a statewide level, and if regional and local agencies are given the flexibility to make decisions of most concern at their levels. The corollary is that federal funds should not be viewed as "free funds" by any of the players. In recognition of the many new funding sources that have been taken advantage of in recent years, state and local agencies should also be given more flexibility on the sources of funds which can be used to help provide the matching revenues.

ITE Recommendations - Structuring the New Program:

- **Include in future legislation authorizations covering at least 5 years.**
- **Allocate program funding by formula, rather than through discretionary grants or line-item amounts set aside for individual local projects. Formulas for apportionments should be based on parameters that truly reflect transportation needs.**
- **Combine the many federal-aid highway and transit programs into a smaller number of broad program categories and/or block grants with specific objectives to address major problem areas, including interstate mobility, traffic congestion, small urban and rural communities, traffic safety, and transportation research.**
- **Increase the decisionmaking authority of the state and local partners by reducing the number of specific federal requirements and expanding the use of certification acceptance.**
- **Allow the use of developer fees, private contributions and other financing mechanisms to provide the state/local match.**

INTERSTATE MOBILITY PROGRAM

The importance of the federal role in assuring a safe and efficient highway system for interstate travel is unquestioned. The nation's huge investment in the Interstate System must be protected.

The construction of the Interstate system is essentially complete. Together, the Interstate and Primary systems form the backbone for interstate travel in this country.

A new Interstate Mobility Program should be established, with the objective of providing safe and efficient travel for the interstate and long distance traveler and for the movement of freight. Such a formula based program would combine all the currently eligible elements of the Interstate 4R and Primary System programs, including new construction, reconstruction, rehabilitation, restoration, and resurfacing.

ITE Recommendations - Interstate Mobility Program:

- **Establish an Interstate Mobility Program, providing formula based funding to the states combining all the currently eligible elements of the Interstate 4R and Primary System programs.**

URBAN MOBILITY PROGRAM

The "commerce clause" of the U.S. Constitution grants Congress the power to regulate commerce among the several states. This has long been interpreted as including not only actual traffic and transportation across state lines, but also local activities if they affect interstate movements. With traffic congestion raising transportation costs and causing adverse impacts on interstate commerce, a federal leadership role in addressing urban traffic congestion is not only reasonable, but necessary.

A culmination of many factors and trends in this country makes it imperative that the current and future problems of traffic congestion be examined in detail, and means of dealing with these problems be explored. And the means to avoid gridlock do exist, as documented by the Institute of Transportation Engineers in its conferences and publications on strategies to alleviate traffic congestion.

The scope of the traffic congestion problem warrants consideration of the establishment of a major Urban Mobility Program. The program should establish federal leadership in short-term and long-term efforts to alleviate traffic congestion, and should serve as a catalyst for cooperative efforts among federal, state, regional and local governments and the private sector to provide adequate capacity to sustain economic vitality and economic growth through a well managed transportation system.

The level of funding made available to address traffic congestion problems needs to be more equitable. For example, the current Federal-aid Urban System carries 22 percent of the vehicle miles traveled in the United States, yet receives only about 7 percent of the funds disbursed from the Highway Trust Fund. The Federal-aid Urban System program was the only major highway program that did not receive an increased authorization from the additional 5-cent gas tax approved in the 1982 Surface Transportation Assistance Act. One element of the Urban Mobility Program should therefore be a significant increase in the share of Highway Trust Fund revenues authorized to be spent within our congested urban areas commensurate with the problem.

A basic ingredient for success of the Urban Mobility Program would be funding and programming flexibility to treat all the elements of the transportation network as integral parts of one system. Current funding program categories for each separate highway system and public transportation precipitates planning and development of projects separately by system and mode. However, today it is necessary to encourage the safest, most energy efficient, economical and environmentally compatible transportation system that utilizes the inherent advantages of each each highway system and mode and ensures that public and private transportation systems are reasonably available where needed. The services provided by highways, parking facilities, and transit facilities in congested areas cannot be addressed separately. Each affects the other.

Individual measures, although effective in mitigating congestion on portions of the system, will be unable to sufficiently reduce congestion systemwide when used alone. The congestion problem will not be solved simply by building more and more highways. Pinning future hopes exclusively on transit is not the answer. Effective congestion reduction through the year 2020 will require a balanced use of transportation supply and demand management strategies, including transportation systems management (TSM), new construction, 4R type improvements, better organizational tools, and cooperative efforts in minimizing the impacts.[12] The Urban Mobility Program should be structured to provide the framework within which all these options can be pursued.

Traffic congestion does not stop at jurisdictional boundaries, and neither should the applied solutions. The Urban Mobility Program should help to show the benefits that can be achieved by attacking the causes of congestion on a regionwide basis. This is needed not only for the everyday recurring causes of congestion, but also for nonrecurring causes (accidents, breakdowns, spills, etc.), the latter being responsible for up to half of all urban freeway delay.[13]

The project development and approval process must be streamlined to reduce the delay from inception to implementation. Flexible policies and design standards are required to address the traffic congestion problem. Existing policies and design standards should be reviewed and updated to more accurately reflect current operating characteristics and transportation needs.

As expressed by witnesses who participated in the 2020 Transportation Program forums, "Traffic engineering improvements (signals, signs, markings, parking, high occupancy vehicle lanes, etc.) should get more attention."[14] In order to attain more efficient use of existing facilities, traffic operations must be re-emphasized as part of the Urban Mobility Program.

Operational improvements require competent professional staffing and adequate and predictable funding. There is a need to attract more qualified people into the transportation profession. Therefore, renewed emphasis should be placed on education, training, and retention of transportation personnel - especially by the local and state agencies.

Expansion of the federal ability to assist with the problem of metropolitan area surface transportation congestion was the overwhelming recommendation of those testifying at the 2020 Transportation Program forums.[15] And it is the Institute's recommendation. Alleviating congestion will help to address problems of air quality, energy, goods movement, and economic growth - all national issues. The Institute believes that a national assessment of the urban traffic congestion problems will support a continued and expanded federal role that would contain the following elements.

ITE Recommendations - Urban Mobility Program:

- **Establish a major Urban Mobility Program to carry out the federal leadership role in alleviating traffic congestion. All urban area highways and modes would be eligible for funding under this program.**
- **Significantly increase the share of the Highway Trust Fund revenues authorized to be spent in congested urban areas.**
- **Establish a regional traffic management authority in one or more urban areas on a voluntary basis to show the benefits that can be achieved by attacking the causes of congestion on a regionwide basis. Such authority should include all jurisdictions within the urban area(s) with current responsibilities for traffic operations, and be delegated the corresponding responsibilities. The results shall be reported to Congress.**

NATIONAL TRANSPORTATION SAFETY PROGRAM

The National Academy of Sciences has called traffic accidents "the last major plague of the young." Injuries from motor vehicle accidents destroy the health, lives, and livelihoods of millions of people, yet they receive scant attention, compared with diseases and other hazards. Statistics from major health and medical organizations show that:

- Motor vehicle crashes account for more than 45,000 deaths and over 3 million injuries each year. For comparison, deaths from firearms total approximately 33,000 each year.

- Motor vehicle crashes produce more new quadriplegics and paraplegics each year in the United States than all other causes combined.

- Improperly managed forces reaching and scarring the brain as a result of motor vehicle crashes are a leading cause of epilepsy in the United States.

- Major damage to the face from motor vehicle crashes is by far the leading cause of non-cosmetic plastic surgery.

- Traffic accidents are the leading cause of death to all American citizens under the age of 44. Except for cancer, motor vehicle deaths and injuries constitute the highest national economic costs produced by any public health problem.

Traffic accidents represent a national health problem. Not only is continued Federal involvement justified, but a special national priority is warranted. A combined National Transportation Safety Program should be considered, allowing state and local agencies the flexibility to apply accident countermeasures which will most effectively reduce the risk of death and injury in their jurisdictions. The combined program should include all the elements of the current safety construction and non-construction programs. States should be required to certify that they are spending at least a specified minimum amount on elements of the program which have high national priority.

In addition, the current authorizations of $330 million for safety construction programs and $175 million for the non-construction safety programs are minimal considering the scope of the problem, and should be increased. The National Highway Traffic Safety Administration estimated that this problem drained the nation's economy of over $76 billion in 1986.

Annual reports from the federal and state agencies demonstrate the cost effectiveness that projects funded from these programs have had in reducing deaths and injuries to date. The safety construction programs have spurred technology advances and information sharing in such areas as traffic signs, impact attenuators, guardrail, roadway lighting, breakaway sign and lighting supports, and median designs. The non-construction safety programs (Section 402 and 403) have provided the building blocks that have enabled state and local agencies to implement the direct impact programs.

Most of the Section 402 funds administered by the Federal Highway Administration have been spent on services and training to provide state and local agencies with the necessary abilities to carry out their own programs. This is an appropriate role for the federal government. This effort has been severely hampered in recent years, however, by the reduction in annual funding levels from $25 million to $10 million. Arbitrary limitations such as this would not exist in a consolidated safety program in which minimums rather than maximums could be specified for priority activities.

State and local agencies would have the flexibility under a National Transportation Safety Program to spend the funds where they would do the most good. They would no longer be restricted by highway system or funding category. For example, agencies would be able to apply the lessons learned in the Interstate program to improve the safety of local and rural roads. Although these roads have death and accident rates many times higher than limited access highways, they have been almost totally neglected in highway safety funding programs to date.

The post-1990 National Program for Mobility and Safety should increase the federal involvement in highway safety to a level commensurate with the problem.

ITE Recommendations - National Transportation Safety Program:

- **Initiate a National Transportation Safety Program, combining the current safety construction and non-construction programs with requirements that states spend a specified minimum amount on selected priority elements of the program each year.**
- **Increase the authorization levels for the highway safety program in recognition of this national health problem.**

TRANSPORTATION RESEARCH PROGRAM

In calling for a more intense national focus on public works technology, the National Council on Public Works Improvements stated, "Current federal (research and development) programs are spread over a number of agencies with narrowly targeted missions. Ongoing research efforts conducted by other levels of government, professional organizations, and the private sector are fragmented and aimed only at incremental improvements. The opportunities for major breakthroughs and for sharing research results among all groups often are very limited."[16]

Current federal expenditures on highway research are less than one percent of the total highway program. The current set-aside of funds for "highway planning and research" (HPR) are substantially spent on planning and not research. Unless a stronger national commitment is made, this nation will be dependent on foreign technology to meet our future transportation needs.

A major program for transportation research needs to be initiated and funded at the federal level. The research program should focus on true transportation needs for both the short term and long term future. Research is needed to provide additional understanding and techniques for reducing traffic congestion. Advanced technologies now emerging need to be assessed, developed, and tested for all modes. The Transportation Research Program should also expand our knowledge of the effects of land use pattern changes, electronic communications vs. travel and other innovative studies of factors affecting transportation demand. Consideration should therefore be given to setting aside a specified percentage of appropriate funding programs for transportation research.

In order to have some measure of mobility, data collection efforts used effectively in the past should be reinstituted. These include origin-destination surveys, before & after studies, and travel characteristics. Agencies should be encouraged to collect sample travel time data to document progress towards mobility. New technologies available for the collection and analysis of data should be applied. A network for sharing such information needs to be developed.

ITE Recommendations - Transportation Research Program:

- o **Require the use of a percentage of apportioned federal-aid funds for transportation research.**
- o **Encourage state and local data collection efforts to determine current and emerging transportation mobility problems, and a nationwide assessment of future mobility needs.**

TRANSPORTATION PROFESSIONAL NEEDS

Quoting from the National Council on Public Works Improvements, "The Council concludes that the nation has a shortage of technically competent personnel to meet the future requirements of the public works profession. Federal action is needed to support and stimulate the education and training of public works professionals from all disciplines and academic specialities." In supporting this conclusion, the Council specifically cited transportation, pointing out that over the period 1985-1989, about 16 percent of all engineers in state transportation agencies are expected to retire, with the figure exceeding 20 percent in some states.[17]

Many areas are being overwhelmed with congestion at the same time that transportation professionals lack the budgets and trained manpower to implement the needed improvements. As the emphasis continues to shift from new construction to making better use of existing resources and new technologies, and as more public attention is being paid to the increasing problem of traffic congestion in local areas, the need for more transportation professionals by state and local agencies will continue to increase. For example, the growing demand for traffic operations personnel at the local level has been expressed repeatedly to the Institute membership in recent years - by government agencies and consultants alike.

The Transportation Research Board completed the report to Congress on the "Transportation Professional Needs Study" as mandated in the 1982 Surface Transportation Assistance Act. As stated in this report, "Efficient use of existing facilities and services will continue to compete with capacity expansion as potentially cost-effective ways to meet the public's growing demand for transportation. Transportation professionals will become more and more vigilant of ways to save the taxpayers' dollars and to spend money as wisely as possible."

This trend continues concurrent with decreasing student enrollment in transportation and traffic engineering curricula at universities, and a corresponding drop in the number of universities therefore offering transportation engineering curricula. The following quote from the TRB report is especially applicable to the transportation engineering needs, "...the glamor of building totally new systems...has been lost behind the more mundane concerns of making the best use of existing facilities...Both public employers and universities have reported difficulties attracting top quality applicants to transportation in the face of the highly publicized challenges in other fields."[18]

As a result, universities are filling up their transportation study programs with foreign nationals, many of whom will return to their native countries when their study is complete, taking their skills with them. It is currently estimated that more than half of the students in graduate transportation engineering programs are not United States citizens.

The TRB report goes on to conclude that there is a need for more traffic operations and control skills in local and regional transportation agencies due to the large numbers of current professionals expected to retire and the heavy traffic volumes and multiple jurisdictions in urban areas. Some have predicted that in the future we will need full time professional congestion managers. In addition, new technologies will need to be developed and implemented to help meet our mobility needs in the future. This will also increase the demand for an increased supply of trained transportation professionals. A major shortage of transportation professionals will detour efforts to improve mobility and safety.

Therefore, there needs to be a new emphasis placed on recruitment, education, training, and retention of traffic and transportation professionals for state and local agencies. Helping to provide this expertise on a nationwide basis will help state and local agencies in helping themselves. This is an appropriate role for the Federal government.

ITE Recommendations - Transportation Professional Needs:

o Require that a specified percentage of the transportation authorization be set aside for recruitment, education and training of transportation professionals.

REMOVING BARRIERS TO STATE AND LOCAL TRANSPORTATION FUNDING

There is no one panacea that will provide the needed funding to meet our transportation needs - no one ultimate solution. A combination of funding strategies at all levels of government and the private sector will be required. Artificial barriers placed on one level of government by another to the implementation of funding strategies that are otherwise feasible and acceptable to the public should be removed.

For example, the federal tax policy has a significant impact on state and local infrastructure finance. The Tax Reform Act of 1986 drastically limits arbitrage earnings on borrowed funds and restricts the use of municipal bond proceeds for quasi-public projects by imposing ceilings on allowable issues. These and other provisions are expected to limit the growth of tax-exempt bonds, and to increase state and local borrowing costs. The law also lengthens depreciation schedules and repeals investment tax credits, which will increase the cost of joint development of certain public works with the private sector. In combination, the provisions of the 1986 law may impede the financial plans of state and local governments, reduce their fiscal capacity, and limit their ability to finance necessary improvements.[19]

Toll roads on federal-aid highways are another case in point. Experiences from around the country are now showing that the traveling public in many cases is willing to pay a premium for the luxury of faster, more efficient transportation. State and local agencies have been able to use toll financing to pay for facilities which otherwise would not have been feasible, to expedite transportation projects, to maintain transportation facilities, to make improvements to highways and other transportation facilities to sustain high levels of service.

While localities are under pressure to provide an increasing portion of total public works spending, often they must contend with state restrictions on taxation or bonding. As of 1985, for example, 31 states had imposed specific property tax rate limits on local governments.[20] In light of the growing challenge of traffic congestion and other transportation needs, governors and state legislatures should reassess the impact of such restrictions, and take the necessary steps for either remedying the situation or providing compensatory assistance.

ITE Recommendations - Removing Barriers to State and Local Transportation Funding:

- o **Review federal limitations on the power of state and local governments to finance transportation and other public works improvements, and remove those limitations which can no longer be justified.**
- o **Permit transportation agencies to implement tolls on new and existing federal-aid highways. There should be no obligation to repay federal-aid highway funds that have been expended on the facility.**

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[1] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, p. 1, Washington, DC, 1988.

[2] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, Washington, DC, 1988.

[3] "The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, p. 26, Washington, DC, December 1987

[4] "Commuting in America", Alan E. Pisarski under direction of The Steering Committee for the National Commuting Study, Eno Foundation for Transportation Inc., pp. 37-38, Westport, CT, 1987.

[5] "Commuting in America", Alan E. Pisarski under direction of The Steering Committee for the National Commuting Study, Eno Foundation for Transportation Inc., p. 64, Westport, CT, 1987.

[6] "The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, p. 53, Washington, DC, December 1987

[7] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, p. 6, Washington, DC, 1988.

[8] "The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, pp. 25 & 29, Washington, DC, December 1987

[9] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, p.3, Washington, DC, 1988.

[10] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 5, Washington, DC, February 1988.

[11] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 2, Washington, DC, February 1988.

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[12] "The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, p. vi, Washington, DC, December 1987.

[13] "The Future National Highway Program - 1991 and Beyond: Working Paper No. 10 - Urban and Suburban Highway Congestion", Federal Highway Administration, p. 32, Washington, DC, December 1987.

[14] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, p. 5, Washington, DC, 1988.

[15] "Beyond Gridlock - The Future of Mobility As the Public See It", Advisory Committee on Highway Policy - 2020 Transportation Program, p. 61, Washington, DC, 1988.

[16] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 26, Washington, DC, February 1988.

[17] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 27, Washington, DC, February 1988.

[18] "Transportation Professionals: Future Needs and Opportunities", National Research Council, Transportation Research Board, Special Report 207, Washington DC, 1985.

[19] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 13, Washington, DC, February 1988.

[20] "Fragile Foundations: A Report on America's Public Works", National Council on Public Works, p. 14, Washington, DC, February 1988.

WHI Testimony

Water Resources, Transportation and Infrastructure Subcommittee of
Senate Environment and Public Works Committee
Field Hearing - August 21, 1989 - Twin Falls, Idaho

Introduction

The Institute is a research organization serving the trucking industry in the Western U.S. and Canada. WHI specializes in research on truck productivity, taxes, performance standards, and economic development. We appreciate the opportunity to provide information to the Committee's fact-finding process.

Past Testimony

As Congress approaches the landmark decisions in the reauthorization of the post-Interstate Federal-Aid highway program, it should carefully review the past record of testimony and action. History and experience are the best counselors. The Institute has provided submissions to the Committee six times over the last eight years (Reference #1). The principal points made in that span can be briefly summarized:

1. Western truck operators and shippers had little if any productivity gain from the STAA of 1982. High-density freight carriers actually lost ground.

2. Because of an outmoded federal gross weight prohibition, the only significant avenue for greater truck productivity in the region is via divisible-load special permits under strict state controls to assure safety and road compatibility. However, some states lack the requisite 1956 grandfather authority to make even this a viable option. Furthermore, despite voluminous studies and court decisions to the contrary, DOT continues to oppose this productivity strategy.

3. All carriers experienced very large tax increases at the time of the STAA. Western operators, because of their higher annual travel, incurred a still greater burden after the diesel differential amendment of 1984.

4. The unprecedented tax increases accompanying the STAA were founded upon the 1980 federal cost allocation study employing novel economic and philosophic concepts that have not been adequately supported by verifiable research.

5. Two-structure tax systems are superior. A federal weight-distance tax would have even less merit than at the state level where they have been widely rejected.

In reviewing WHI's past testimony, we have found that it stands the test of time. For example, many of the 38 questions posed in the Committee's letter to WHI of September 16, 1982 still reflect current issues. Similarly, the answers are still valid. In some instances the answers could be further supported by more recent research. Copies of the earlier submissions are available to the Committee if desired.

What is the future of highway freight transport in the '90s?

From the trucking industry's perspective, this is the key question imbedded in the current federal DOT hearing process to assist development of the Secretary's proposed national transportation policy. WHI's submission to that process is attached because it points out numerous areas in which congressional action are needed to improve the efficiency, productivity and competitiveness of our highway transport system. The specific topics that should receive congressional attention are highlighted in Reference #2.

Highway freight transport is the largest freight transportation element in the gross national product -- by a large margin. But its importance far transcends direct dollar input to GNP because it is so interwoven in the fabric of virtually every other economic activity in our complex modern economy. For that reason, improved truck productivity could greatly benefit our domestic economy and will be vital to a competitive position in the international markets of the next decade. Arbitrary caps on truck productivity, like the federal 80,000 lb. GCW limit (which is the result of only a 9% weight increase in 33 years) are artificial handicaps. They are exacting a price from every consumer, producer and exporter in the nation -- which collectively amounts to billions of dollars annually.

Highway freight transport is properly viewed as a transportation system with two elements: (1) the complex of federal, state, and local roads and bridges and (2) the complex of hundreds of thousands of freight vehicles of all sizes and occupational purposes. We can significantly improve the productivity of this system by better matching the design of the several highway networks to freight vehicles and vice versa.

Highway Systems

Listed in outline form are some specific engineering, management, and funding suggestions with special western significance for improving the efficiency and economic development potential of our highway systems:

- Design commercial routes to accommodate STAA vehicles.
- Spend highway funds on highway needs. Resources presently being squirreled away to minimize the budget deficit should be spent for their intended purpose.
- Increase interstate reconstruction funds and add new miles at state option. Also emphasize highways of national significance.
- Encourage the provision of developer fees to partially repay non-highway-user road benefits.
- Eliminate gasohol exemptions and adjust rates on alternate fuels where significant energy differences exist (e.g., gasoline and methanol).

- Increase federal urban and secondary bridge funding on a block grant basis.

- Encourage state "economic development" highway programs.

- Extend design life cycles for the systems carrying major commercial traffic volumes. Thirty years rather than 20 will lower life cycle cost.

- Build more truck features into commercial routes -- climbing lanes, expanded rest and inspection areas, better signing, adequate access geometrics, etc.

- Develop better incident management capability in urban areas.

- Encourage states to establish better coordination of truck-related administrative functions (highway design, survey, monitoring, permit issuance, enforcement, etc.).

Vehicle Systems

A parallel list of vehicle-related improvements that would improve productivity, safety, and economic development follows:

- For vehicles in regular operation, Congress should remove the 80,000 lb. cap, but retain present axle load and axle group restrictions by federal Formula B or a subsequently improved formula. The Bureau of Public Roads officially recommended a 90,000 lb. level as long ago as 1964. International competition also demands U.S. modernization (Reference #2).

- Encourage states to adopt bridge formula loadings no more restrictive than Formula B. This would allow truck operators to better utilize multiaxle equipment to haul heavy marine containers without overloading axles.

- Congress should authorize all states at their option to allow longer combination vehicles (LCVs) to operate under state-administered divisible-load permit systems providing for adequate operator, vehicle, and highway restrictions. Such LCV operations should be conditioned upon conformity to federal single and tandem axle limits and the federal bridge formula limited to nine axles.

  This recommendation reflects a newly adopted trucking industry (ATA) national policy. It recognizes the ability of regions where LCVs are in regular use to coordinate operating rules and standards for compatible interstate operation. It also recognizes the differences in state truck transport needs and encourages development at a state-determined pace.

  This diversity in needs and experience with LCVs is reflected in the membership of this Senate Committee. Five of the members are from contiguous states with a long history of LCV use in meeting local transport needs (Nevada, Idaho, Montana, Wyoming, and North

Dakota). Another state is actively considering LCV authorization (Minnesota), and two others have long operated them successfully on turnpikes (New York and Florida).

Research Needs

Since World War II, WHI has both contributed to and monitored much of the highway, vehicle, and tax research produced by Canadian and U.S. federal agencies and the states and provinces in western North America. Accordingly, we feel well qualified to comment upon the research needs and trends affecting the highway transport system. These comments are especially germane because Congress directly or indirectly is the major source of research funding in this economic sector. Some principal observations and recommendations follow:

- Highway and vehicle research are substantially underfunded in relation to other R and D funding in America and in relation to their economic impact.

- The SHRP program, a long overdue comprehensive look at the highway side of the system, is underfunded -- particularly to get representative data from the long-term pavement monitoring program. The root of much controversy on cost allocation issues lies in inadequate data to correlate the AASHO road test with varied geographic and environmental conditions. It now appears a once promising long-term research effort to close that information gap will fall well short of its objectives.

- With several significant exceptions in the last few years, too many of the inadequate highway and vehicle research efforts are performed or sponsored by single government agencies. The perception of in-house control and bias in these studies is wide spread in the private sector -- particularly where the studies address modal competitive factors like vehicle size and weight or highway cost allocation.

  The FHWA western region feasibility study on LCVs cited need for more studies (after 20 years of studies) and more demonstrations. But the agency has not encouraged them.

  The recent over 80,000 lb. cost allocation study admits to inadequate road-use data by highway system and adheres to many of the flawed methodological concepts of the 1982 study. One of these lumps illegal axle loads into those generated by legal permit vehicles, thereby distorting class responsibility.

  The recent federal weight-distance tax feasibility study found such a tax possible and deserving consideration despite an almost unanimous hearing record to the contrary. Three more western states repealed this inequitable, discriminatory tax system this year (Wyoming, Colorado, and Nevada).

- It is encouraging to note that three studies (doubles safety, truck access, and truck size and weight) directed to the Transportation Research Board by Congress have thus far been considered objective projects. The experienced diverse "jury" directorship of such projects would seem to encourage more fair-minded findings.

- Another balanced research concept has enlisted partnership direction and funding by federal, province, and industry interests. This approach was successful in the recent $3 million CanRoad research project in Canada. Limited U.S. cooperative research of this type has been tried in the truck-safety data and driver-training fields. The results have been positive and would argue for broader application and increased funding in the future.

Conclusion

In closing, we would like to emphasize that as Congress revisits the issues of what quantity and quality of roads this country will enjoy and who will pay for them and what kinds of vehicles will use them, it should bear in mind that the old decision patterns on these issues are totally inadequate to meet the challenges of the '90s and a very competitive world market.

Highway freight transport is the circulatory system of the economic body. Ours has low blood pressure, and it's falling with increased congestion. There are morticians once again at the bedside of this patient that would tax the circulatory system that brings life to every distant capillary. Their prescriptions are price disincentives for cars and weight-distance taxes for trucks. They would even curtail or roll back the inadequate productivity standards that are over 30 years old.

Modern medicine for the highway transport economic system calls for a transfusion of more productive blood (increased gross and LCVs) and some new bypasses to get that circulation moving again. If we don't follow the new medicine, more progressive vigorous economies will win the long-term race to higher living standards. I don't think we're ready for the retirement home yet.

REFERENCE #1

Record of WHI Submissions to Senate Environment and Public Works Committee Transportation Subcommittee

Aug. 15, 1981	Boise - presentation of Tred Foundation study. "Motor Vehicle Size and Weight Standards -- Western Regional Objectives" and a film report "More Productive Trucks"
Aug. 18, 1982	Testimony by Kenneth Heald, chief engineer, "Analysis of the 1982 Federal Highway Cost Allocation Study"
Sept. 3, 1981	Lewiston - testimony by Warren Hoemann, general counsel, regarding state experience with weight-distance taxes.
Oct. 1982	Response to 38 questions posed by Committee regarding the highway program needs, revenues, and cost allocation issues
Aug. 23, 1983	Coeur d'Alene - testimony by Kenneth Heald, chief engineer, "Western Trucking Productivity vs. STAA and Pavement Consumption Philosophy"
Sept. 28, 1985	Coeur d'Alene - testimony by Warren Hoemann, general counsel, regarding legal history of divisible-load permit operations and need for congressional action and the federal DOT weight-distance tax feasibility study.

REFERENCE #2

WHI Testimony
US DOT National Transportation Policy Evaluation Hearing
Intercity Freight - Denver, CO - August 1, 1989

Introduction

The Institute is a research organization serving the trucking industry in the Western U.S. and Canada. The WHI specializes in research concerning truck productivity, taxes, performance standards, and economic development. We welcome this opportunity to provide input to the development process for a forward-looking national transportation policy.

Outreach Organization

Segregation of these DOT hearings into market cluster groups makes it difficult to present and appreciate the all pervasive and dominant contribution of truck transport to our nation's freight transport. Trucks are the goods transport marketplace leaders in each of the market sectors: urban/suburban, rural, intercity, and international ground transportation. This fact places a special responsibility upon the policy analysts who will apply the 21 key questions listed in the Federal Register request for comments. A knowledge of truck service history, potential, and issues is vital to deal with four of the five cluster group markets.

Post World War II Perspective

It is roughly estimated that trucks of all kinds private and for hire, earn 80% of intercity freight transport expenditures today. This primary position has evolved for many reasons: demographic trends such as suburbanization, growth of the sunbelt economies, occupational flexibility of trucks for specialized uses, growth of just in time procurement and reduction of inventory, development of long life, reliable trucks, trailers, engines and components, the Interstate Highway System, and the human factors inherent in thousands of innovative trucking entrepreneurs, drivers, maintenance, sales and operations employees. In the western third of North America, about two thirds of the communities literally have no other freight service than by truck.

This remarkable market position was obtained through service and performance despite the substantial indifference or resistance of many regulators and despite the frequently intense political opposition of rails, auto clubs, labor unions, and environmental no-growth groups. The obstacles to more productive size and weight standards for interstate truck traffic were documented in NCHRP Report #198 (pp 21-23) by the Transportation Research Board in 1979. Reference Exhibit #1.

[In the international competitive environment today, our nation can ill afford to have transport efficiency decisions based on factors other than merit. If not, very simply, U.S. goods and services will become more expensive to our consumers. In international markets our products will be less competitive and the balance of payments deficit will likely worsen.

Paramount Concerns

The hearing notice lists eight paramount concerns in formulating a comprehensive national transportation policy.

Infrastructure

The first of these is infrastructure, the importance of which from the highway user's perspective is difficult to overstate. The 2020 consensus agenda has made the key points. We would like to emphasize a few from our research experience:

- Federal and state systems are generally underfunded for the projected traffic volumes.
- Funds provided are frequently being sequestered and not applied to road needs. The Federal Government is the biggest offender.
- Overhead, administration, beautification, sound walls, etc. are taking a disproportionate amount of funds in the face of real pavement and bridge needs.
- Inadequate money is spent on research to improve materials, construction, and maintenance techniques. The SHRP program has helped but it is underfunded too.
- Recent research indicates U.S. design practice has erred on the side of light construction if the goal is minimum life cycle cost.
- U.S. highway design standards (AASHTO code) react far too slowly to progress in freight vehicle technology.
    - (1) It took over 25 years to obtain universal acceptance of 80,000 lbs. combination weight on the designated system -- a 9% improvement partially offset by reduced speed. No other mode suffers such productivity contraints, and dedication to the status quo.
    - (2) It has taken seven years, over 20 still continuing federal rulemakings, follow up legislation plus two major TRB studies on doubles safety and access; and still Surface Transportation Assistance Act (STAA) vehicles face a patchwork system of designated highways and access regulations in at least half the states.

International Trade

"If America is to be competitive in the growing global marketplace, the U.S. transportation system must move goods and people with high performance and low cost"......U.S. DOT 06/28/89

WHI has participated in four international conferences on the productivity of heavy trucks and their relation to economic development in the last three years. It is clear Europe, Australia, New Zealand, and especially Canada are moving ahead in utilizing vehicle technology at a faster pace than the U.S. In our observation engineering and economic research clearly has more influence on public policy formulation in those countries.

The Canadian case is illustrative. A four-year $3 million joint study was conducted by federal and provincial governments and industry. It evaluated pavement and bridge capability, safety characteristics of several dozen truck configurations and transport economics. The resulting recommendations were largely accepted by provincial governments. Permit operation of 8-axle "B double" combinations on an extensive network of major highways from coast to coast at gross weights of 138,000 lbs. was effective last month. Canadian highways are by and large designed to U.S. standards. The comparable "coast to coast" vehicle in the U.S. hauls 80,000 lbs., a 72% gross weight disadvantage. There is a cubic capacity differential as well in Canada's favor, but not as dramatic as the weight advantage. Reference Exhibit #2.

The productivity differentials will play out in many interesting ways as the U.S. Canada free trade pact takes hold. One would expect to see transport intensive export businesses to look favorably upon Canadian locations for development.

Regionalism

The multistate or regional transport role in economic development was listed as a key question in policy development. We view this as a very positive new departure in the policy process. Federal highway and vehicle policy in the past has made inadequate allowance for regional differences. Our view is that you maximize aggregate national productivity by optimizing regional economic and transport systems.

A pattern in transport productivity standards is apparent in advanced nations with regional diversity. "Common denominator" size and weight standards are applicable to trucks that can generally serve all points in a country. The designated system for STAA vehicles can be considered a special subset of highways and combinations that can broadly serve the nation.

However, to optimize the highway/vehicle system in lower traffic density environments, families of much more productive freight combinations have been allowed to operate under special permit. The productivity and safety records of these vehicles have been excellent in 20 states and four Canadian provinces. The experience base for these longer combination vehicles goes back 30 years for turnpike operation and over 20 years in many western states. Reference Exhibit #3.

Both Western Australia and the Western U.S. provide examples of this productivity strategy. Both large regions are oriented to resource development. There are numerous examples of mining and agricultural operations that would close down if more productive freight vehicles were not available to move their products to processing or transshipment locations. Reference Exhibit #4.

The significance of these regional size and weight standards to U.S. transport policy is that they offer competitive promise and are on the rise in the international arena. Unfortunately, they have been steadfastly resisted by DOT and delayed or ignored in three federal vehicle size and weight studies in the last 10 years.

WHI research has been at the heart of this regional productivity strategy. It was thoroughly documented in a 550-page technical report for the TRED Foundation and presented to Secretary Goldschmidt in July 1980. Extensive new documentation and test data was submitted to the national Longer Combination Vehicle (LCV) Network Feasibility Study in 1985. Further submissions and testimony were delivered to a Federal Highway Administration (FHWA) hearing panel in this city three years ago at this time on the study, "Longer Combination Vehicle Operations in Western States." That study held the door open for further demonstration tests in the region, but the agency has actively resisted state initiatives to improve truck productivity by this method.

This policy resistance is unwarranted because the special permit strategy: reduces pavement effects on an equivalent single axle load (ESAL) basis per ton carried; conforms to Formula B for safe bridge loadings; allows advance route analysis for geometric, structural, and traffic capacity; provides for special driver qualifications, state-of-the-art equipment specifications, and superior enforcement effectiveness through permit revocation procedures.

Another aspect of this incomplete but promising regional productivity strategy is the cooperative work of western state highway officials through the Western Association of State Highway and Transportation Officials (WASHTO) and western legislators through the Multistate Highway Transportation Agreement (MHTA) to arrive at compatible permit size and weight standards and permit requirements. The American Trucking Associations formally approved a policy in June calling for states to have the option of permitting more productive trucks under appropriate vehicle, highway, and driver permit requirements.

Implementation of this effective productivity strategy more broadly on a state voluntary basis requires congressional action to grant this authority to remedy the deficiencies in some states' grandfather permit issuing authorities.

Environment, Safety, and Petroleum Dependence

In the context of intercity freight transport policy, these three paramount concerns should speak persuasively for expanding divisible load special permit operations of more productive trucks. The most common types of LCVs are Rocky Mountain, intermediate and turnpike doubles, triples, and truck and two trailers. Each configuration reduces traffic exposure, enhances safety, and reduces fuel burned per ton hauled through the reduction in vehicle miles traveled (VMT).

Fuel saving for tonnage hauled varies by type of combination, but typically can range from 27% to 45%. Of the nation's 101 cities that presently violate federal ozone smog standards, 13 are in the 11 western states. However, 10 of these are in California, including four rated serious and the one ranked the most severe in the U.S. (Los Angeles-Anaheim-Riverside). California does not permit LCVs but could effect a significant VMT decline, fuel saving, and worthwhile air burden reduction by doing so. National policy in favor of LCVs could positively influence state actions.

Trucks in general, including LCVs, have the potential for adapting to various scenarios for spreading out highway utilization. Extension of the workday and off-peak delivery periods are already in voluntary operation in a number of major cities. Politics permitting, many students of U.S. metropolitan problems view a reduction in density as the key to congestion relief combined with infrastructure development to serve a dispersed grid of residence and employment locations. Trucks offer virtually the only goods transport medium for serving this type of land use development. In a world where the capabilities of highways, vehicles and communication all permit extensive dispersion yet rapid contact -- must we cluster in the modern version of the medieval city with its enormously expensive infrastructure and exacerbated social problems?

The Western Region pioneered the use and evolution of the diesel truck engine. In California particularly, air quality requirements are driving an industry commitment to meet stringent engine performance requirements by 1994. At this writing, it appears these standards can be met, albeit at great expense, with high-quality, low-sulfur fuel. Other alternate fuel strategies are worthy of demonstration and trial, but must meet the criteria of environmental safety, user safety, reliability, cost, availability, etc. In this context, the Western Highway Institute has joined with a number of other associations calling upon EPA to conduct research on the health effects of various methanol exhaust products.

Paying for Transportation Infrastructure

The Institute has been intimately involved in the critical review of highway cost allocation studies for nearly forty years. The subject is too complex for adequate review from a policy perspective in a short hearing format. Nevertheless, it is our judgement that the subjective factors in the current methodology favored by the FHWA and recommended to the states far outweigh the objective parameters based upon sound engineering determinations and replicable research. These theoretical deficiencies are frequently compounded by inadequate traffic data by highway system and vehicle class as well as revenue data in the same categories. With conclusions so dependent upon the philosophy of the researcher and data so incomplete, one must question the validity of these costly exercises in their attempts to calculate a "level playing field" for all highway users. It is our hope that current industry-sponsored research will bring greater clarity and lead to greater equity in this field. A consensus is badly needed to avoid the economic waste and inflated transport costs inherent in political solutions for the convenience of modal competitors.

TESTIMONY TO THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

TWIN FALLS, IDAHO
August 21, 1989

Presented by
Don Forbes
State Highway Engineer
Oregon Department of Transportation

I want to thank you, Senator Symms, on behalf of the Oregon Department of Transportation for the opportunity to testify today on a topic of great importance.

The next surface transportation act will be a critical determinant of whether we shall have a transportation system that meets this nation's economic and social needs in the decades ahead.

The Senate Committee on Environment and Public Works should be congratulated on beginning deliberation of this important legislation now; there are many difficult issues to be resolved.

While I plan to focus my remarks today on the issue of interstate preservation and modernization, I should begin by making a broader point.

The fundamental fact we must all face up to in considering the future of our transportation system is that this country is currently not investing in its transportation infrastructure sufficiently to meet the demands of future growth and development. This has been well documented by the National Council on Public Works Improvements, among others.

What is important about this is that Congress recognizes it. Without Congressional leadership it is not likely we shall develop sounc, comprehensive transportation policies and programs that meet this nation's needs.

I want to turn now to the topic of interstate preservation and modernization needs.

The Interstate system is the linchpin of America's highway system. It is comprised of the routes of highest national importance linking principal urban areas and providing access into and around them. The system comprises about 1% of the nation's highway mileage yet accommodates over 21% of vehicle miles traveled. The location of these routes serve national defense, provide the main corridors of Interstate highway transport and allow easy connection to major highway routes in Canada and Mexico.

Preservation of this tremendous national investment should be the primary goal of any future national transportation program. Quite simply, it bestows the most benefit to the most people.

The State of Oregon's Interstate system can be summed up simply: the system is aging and federal revenue sources are not up to the task of meeting even basic needs. In spite of that, the existing condition of the Interstate system is relatively good. A survey of pavement condition taken in 1988 showed that 84% of the system was in fair or better condition. But focusing only on that figure is misleading.

Even though Oregon completed the last link of its portion of the Interstate system last year and other sections have had some major work in recent years, over half of the system has been in service for 10 to 20 years without any major treatment. In addition, over 7% has received no major work in more than 20 years.

Pavements that are in fair condition today will soon reach a point of accelerated wear, declining into the very poor category. A survey of the pavement's condition this spring showed that, indeed, we have slipped to 80% fair or better. Without an increased emphasis on preservation, this downward trend will continue.

Good pavement management requires that preservation treatments be applied to roads before the condition deteriorates into a very poor condition. Proper management of the system provides long-term savings. A one dollar cost to improve a road in fair condition can quickly turn into a four or five dollar cost if the roadway is allowed to deteriorate to very poor condition before making an improvement.

A State of the Interstate Report covering the period from 1994 to 2012 was prepared by the Highway Division in 1988. It reported on the findings of an extensive investigation of Oregon's Interstate system, and what the future holds for it. The cost to preserve the system ranges from $586.5 million to over $700 million depending upon how much the roadway is allowed to deteriorate before an improvement is made. During that same period of time, after subtracting out funds needed for structures, rest areas, safety improvements and operations, there is expected to be $622.8 million of Interstate 4R funds available to the State of Oregon, based on current Highway legislation. Obviously, if preservation concerns are adequately addressed, little or no funds will be available for modernization of the system.

By 1994 Oregon will have a backlog of nearly $130 million in restoration and rehabilitation work. We are currently expending approximately 70% of our 4R funds for preservation. At this rate, the backlog will increase to almost $260 million and conditions will decline to only 72% of the system at fair or better. We will need to use 90% of cur current 4R funds for preservation if we expect to reduce the backlog. At this level, the system will be protected by having 98% of the system in fair or better condition.

Protecting our investment is our number one priority. But, preservation competes with our modernization needs.

The State of the Interstate Report concentrated on the preservation aspects of the Interstate system. However, some of our more pressing modernization projects were also considered. This list of modernization projects was far from exhaustive. In fact, modernization needs on the Interstate will exceed one billion dollars between now and the year 2000. Many more modernization projects will be required on Oregon's Interstate system between 2000 and the year 2012.

Consider also, the State of the Interstate Report did not deal with inflation. Even at moderate inflation rates, these needs figures will substantially increase.

To sum up the State of the Interstate Report in Oregon, under the best of conditions between 1994 and the year 2012, at least $586.5 million will be needed simply to protect the investment we already have. Well over a billion dollars will be needed for modernization projects. Under current legislation, anticipated interstate funds that will be available for this type of work amount to less than $625 million.

For the Federal Government to live up to its obligation to preserve the Interstate system, Oregon will require a substantial increase in Interstate funding. As Congress considers funding levels and apportionment formulas, the needs outlined in Oregon's State of the Interstate Report should be considered.

The current federal program for Interstate preservation is Interstate 4R. I-4R funds are apportioned to states according to a formula weighted 55% by the proportion of Interstate lane miles in each state, and 45% by the estimated proportion of vehicle miles traveled on the Interstate system in each state.

Congressional debate has centered around how to account for Interstate use and its impact on need in the I-4R funding process. The factors of lane miles and vehicle miles traveled were selected after a review and evaluation by the Federal Highway Administration. Lane miles account for both the extensiveness of the Interstate system in a state and its contribution to 4R needs. Vehicle miles traveled reflects the use of the system and the abuse it may be taking from trucks and traffic in general. The 1978 requirement that these factors only be used for lanes in use for more than five years reflects Congressional intent that this program target its funds on those states where the need is greatest for Interstate preservation.

The 1981 Amendments, which saw a major shift in the vehicle miles traveled formula, from 25% to 45%, reflected a major shift of Congressional concern over the impact of traffic on the Interstate system.

FHWA studies have shown that most sections of the Interstate are reaching their design life before their chronological life has arrived. Increasing numbers of trucks and increasing truck weight has contributed to the "early wear out" of Interstate pavements. The axle equivalent loads permitted on the Interstates is much greater than forecasted and is causing much faster wear than originally expected. In addition, traffic in suburban areas around many of the nation's cities is leading to the need for interchange modification and lane additions to reduce congestion in these areas. Future Congressional action is likely to continue to show concern about these factors.

Another reason that Congressional interest has downplayed the role of lane miles was that many of these lanes were relatively new. We are now reaching the point where most of the lanes on the Interstate system are reaching their 20-year design life either from traffic or aging and need major rehabilitation work. It would be inappropriate at this time to see Congress back away from the use of the lane miles portion of the formula just when it is becoming a better indicator of need than ever in the past. Congressional concern over maintaining Interstate connectivity should be reflected in preserving the lane miles portion of the I-4R formula in the future.

The pressure to increase the weight given to vehicle miles traveled in the formula would put more pressure on the states to accurately measure this factor. The present vehicle miles traveled estimates represent the states' best estimate of use. The lane miles factor on the other hand is easily quantified and verifiable by all parties. Increased use of vehicle miles traveled cause more problems for the Federal Highway Administration in certifying each state's estimation process.

Thank you and I will be pleased to answer questions.

OVERSIGHT OF THE FEDERAL-AID HIGHWAY PROGRAM

TUESDAY, AUGUST 22, 1989

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE,
Idaho Falls, ID.

The committee met, pursuant to recess, at 10 a.m. at the City Council Chambers, City Electrical Building, Idaho Falls, Idaho, Hon. Steve Symms (acting chairman of the committee) presiding.

Present: Senator Symms.

OPENING STATEMENT OF HON. STEVE SYMMS, U.S. SENATOR FROM THE STATE OF IDAHO

Senator SYMMS. Good morning. This is the second day of hearings here in Idaho on the Federal-aid Highway Program. The Federal-aid Highway Program plays a very important role in the transportation needs of Idaho.

We are a bridge State that connects the West and the East through the Interstate System. We are glad that we will hear this morning not only from our own Highway Department but from North Dakota, from Arizona, and from Montana.

We are glad to have those States represented here to give us their views. I think it is important that the westerners speak out for what it is they think is important in the highway program. Then, at that point, we will do better in the committee as we start reauthorizing the Federal-aid Highway Program in 1991, which has to go into effect by 1992.

Having said that, I would like to welcome everyone here this morning. We will also welcome Galen Reser, whom I will after I make a brief statement. I just want to say that the next two years is a critical time for the Federal Highway Program. The Interstate System will be nearly complete by 1991. Then we have to make the decisions, and they are important decisions, about which direction we want the Federal-aid Highway Program to go. A good transportation system is important to Idaho, as well as it is important to the Nation.

It is also most important for our economy, to get our products from farm to market, our timber, our minerals, and all the things that we produce in this State. It is also important for the tourists to drive to our State and have the opportunity to visit this beautiful State. So we need to do the best job possible and bring the importance of transportation to the attention of the public, the Congress, and the private sector.

I want to say thanks again to all of the witnesses that have made the effort to come in from long distances to testify today. We have asked them to testify on a number of issues regarding the Federal-aid Highway Program. Number one is, of course, the direction the Federal-aid Highway Program should take now that the Interstate System is essentially complete.

I suppose it is a play on words to say that it is complete—you never really complete a road system, there is always another road that is needed. When I say complete, I mean that we will have completed the mapped part of what has been authorized to be part of the Federal Interstate System.

Then we need to maintain that system, and that is no small task, when you start studying the problems of how many of the roads are wearing out, the usage of the roads, even out in sparsely populated western States. I spend a lot of time on this Interstate, and I have, in the last two weeks, driven back and forth across southern Idaho, and it is really interesting how much traffic there is on this Interstate.

There is lots of truck traffic, lots of automobile traffic, and it is getting a lot of use. Of course, with the weather here, it gets a lot of wear even if people aren't driving on it. That's one of the problems we have to face. The level of highway traffic revenues is another issue that we are asking people to talk about—trust funds versus highway needs, apportionment formulas to protect those low population, big geographic States that have lots of distance, lots of lane miles of roads, in many cases difficult weather and terrain to traverse over.

Federal design standards, requirements for the Federal- aid Highway system, transportation needs in the urban, as well as the rural, areas, highway needs on the Federal lands, alternative views in terms of exemptions on the highway revenues, agricultural, industrial transportation needs, and other issues concerning the Federal highway program.

So I want to just thank our committee chairman, Senator Burdick from North Dakota, the chairman of the subcommittee, Senator Moynihan from New York, and Senator Chafee, the ranking member of the committee, for allowing me to bring the Subcommittee here. This is officially a hearing of the Subcommittee on Water Resources, Transportation, and Infrastructure. We are holding these hearings in the West, something I have done in the past. I've tried to get the committee out of Washington and get them to come out West so that people in this part of the world can have an opportunity to testify without going all the way to Washington.

So we'll get started. I would like to ask all the witnesses to do their best to stay within five minutes if they can. Your entire statements will be part of the record. We have a long list and we want to give everybody a chance to be heard.

First, representing the Secretary of Transportation, Sam Skinner, is Assistant Secretary for Government Affairs, Galen Reser. Galen, welcome to God's Country.

Mr. RESER. Thank you. It is good to be here.

Senator **Symms**. I hope you can spend a few days while you are here.

Mr. **Reser**. I'll be here for two weeks.

Senator **Symms**. Great. That's wonderful.

Galen calls on us regularly and tries to keep the Congress advised, that's his job for the Secretary, to keep the Congress advised, of what the Administration wants to do with the transportation issues and highway matters. I would say he does an excellent job. We are glad to have you out here.

STATEMENT OF GALEN RESER, ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS, U.S. DEPARTMENT OF TRANSPORTATION

Mr. **Reser**. Thank you, Senator. As you may know, I know your Staff knows this—when I heard you were going to have this hearing out this way and they asked whether the Department would have a witness. I volunteered, I said "I'm going to be there anyway." This is probably my tenth year in a row of coming to Idaho for summer vacation. My wife has family out this way, and we have discovered this oasis of great beauty out here. We enjoy coming out regularly. It's good to be with you.

Mr. Chairman, I am pleased to be here this morning to discuss the Federal-aid Highway Program. While the highway program has contributed greatly to the construction and maintenance of a vital part of our Nation's transportation system, we are now approaching the time when we will have to decide on whether to continue the highway program as it has been or reshape and redirect it to conform to the changing future.

The Federal Highway Administration has been conducting numerous analytical studies over the past several months in an attempt to make that determination. This effort, which is the basis for the development of a legislative proposal, which the Administration will read at an appropriate time, includes an examination of the role the Federal Government should take in the future with respect to highways.

As you might expect, this raises many questions, such as which highways should the Federal Government be concerned with, what is the appropriate level of Federal assistance, how much can and will do the States do on their own?

Certainly, in answering these questions we have developed a perspective about how the next highway program might look. However, we recognize that the direction the program should take is integrally related to the National Transportation Policy, which is now being developed by Secretary Skinner and the Department of Transportation. On July 31, 1989, we released our first major product, a report, Volume 1 of Moving America: New Directions, New Opportunities, entitled, Building the National Transportation Policy, which sets the groundwork for developing our National Transportation Policy.

As Secretary Skinner has said, "The report assesses the conditions and trends in the markets served by transportation, identifies the external factors that affect transportation, and sets out key issues for discussion and negotiation."

The report also highlights the Nation's growth trends and current investment priorities in transportation. America's population is expected to grow by 44 million people by the year 2020, and will be an older society, with an average age of 40.2 years in 2020 compared to the current average of 32.1 years. Now that I'm approaching 40, I guess I can sympathize with that.

According to the report, America spends $800 billion annually on freight and passenger transportation services a vast majority coming from the private sector.

We identify in our report the following nine areas as major concerns among transportation officials across the Nation: infrastructure, safety—always, national security, international trade, growth in demand, equity and access, the environment, dependence on foreign oil, and budgetary constraints.

Secretary Skinner is looking forward to the results of the public hearing and information gathering phase of the development of the National Transportation Policy. We have organized this effort in a non-traditional way. Rather than looking at transportation along the usual "modal" lines—rail, air, highway, water—we are gathering information along market-oriented lines.

Six working groups, including those interested in urban/suburban and rural issues, and intercity and international transportation, are currently holding hearings and workshops across the country through September 12, in order to gather information that will assist in the development of the policy. A hearing was held in Moscow, Idaho, on July 25, 1989, to discuss rural transportation issues.

Let me just say that it is clear, Mr. Chairman, that the demand for mobility by the American people will continue to grow—I think we all recognize that. Our highway and roadway system will continue to play a significant role in providing for that mobility.

Our department will work closely with you and your committee to develop a national policy that considers the Nation's policy needs, both rural and urban, and incorporates the appropriate role of highways in our transportation system. We also will work with you in preparing legislation that will reshape the Federal-aid Highway Program so that it can respond more quickly and fully to increasing and changing demands.

There is much to do before we can complete all the details necessary for a comprehensive bill. Certainly, this series of hearings that you are having start that process. We are interested, as you are, in developing apportionment formulas that will treat all the States fairly and equitably. This is not easy to do and will eventually require some compromises. In another area, we are concerned about the effect alternative fuels and their exemptions will have on revenues coming into the Highway Trust Fund.

The majority of Highway Trust Fund revenues will have to be directed towards those highway and bridge facilities that serve the most important Interstate or interregional functions. State and local government, possibly developing new and innovative means of financing, will be called upon increasingly to meet needs on lower priority roads and bridges.

Transportation needs in urban and rural areas are different, indicative of the unique problems and opportunities available in each. In rural areas, for example, there are major concerns for access to keep the more isolated rural communities in social and economic contact with the rest of the country. There is concern with the replacement aging bridges, mostly off-system low volume bridges. There is concern in some areas with rural transit needs, providing transportation services for those unable to afford or to operate private vehicles.

In urban areas, highway congestion is the most widely voiced concern, particularly in rapidly growing suburban areas. The availability of transit is also a concern, since this may be the only option for broad segments of urban and suburban dwellers. In many ways, the issues and specific problems seem to be separate, but in another respect, they are the same—the need for safe, efficient, and reliable transportation options to provide access and ensure future mobility for a growing American population and changing economy.

Commercial and agricultural transportation concerns center around the access, connection and regulation of transportation systems. Within the trucking industry, access to and interconnection of a system of highways and bridges to support standard vehicle size and weight configurations is of paramount importance. Regarding system usage, truckers are concerned with the proliferation of regulations, and the time spent in complying with a variety of State procedures and requirements.

There is also concern with variability in fuel taxes, registration and licensing, all of which contribute, in the industry's eyes, to a loss of industry productivity and an increase in costs. We will address these concerns in our developing National Transportation Policy.

Mr. Chairman, that concludes my prepared remarks. I would be pleased to answer any questions you might have. I hope I did that in five minutes.

Senator SYMMS. You did very well, thank you. I want to say, also, I know you are on vacation out here, but we would like to invite you, if you could, to at least stay and hear from all the States, if possible. We would like to invite you to stay today as long as you can. I think it would be interesting for you to hear our DOT testify, and North Dakota and Montana, just to get a little flavor for what's on their mind.

Yesterday, some of the testimony indicated that the States and localities have a lot of needs that cannot be met by the current level of Federal funding. For example, we heard yesterday from a group that wants a road to go up Clear Spring Summit from Buhl. That is a very needed project, it would cost $3 million, the highway district has $57,000 there.

I happened to be with the Governor last night, and he put the arm on me to get a demonstration project, which is not unusual for Governors to have that position so that they would not have to fund it out of their regular dollars.

What I am asking is, do you see any possibility in an increase in Federal funding for the highway program, either through spending down the balance of the highway trust fund, or potential for increased revenues in the future?

Ms. Reser. That is an excellent question, one that we hope to address forthrightly in our National Transportation Policy, which as I testified, is under development right now.

Let me say two things, though. First, about the trust funds. I know this is an issue of some contention in the country, perhaps even between the branches of government. I'm not an expert on trust fund financing, but it has always been my understanding that if we were to terminate all receipts into the trust fund today, that is to say that all the taxes are repealed, we would not have enough resources in the trust fund to complete all of the projects for which there are commitments out there.

As you know, it takes years to put a highway together, a long lead time, etc. We do not currently have the resources to meet all of the commitments that have been made, so this administration certainly—the President, and Secretary Skinner—have said time and time again that they would love to see the trust fund balances spent out as quickly as possible.

But it is currently a part of the unified budget, and until we address our national budget crisis, we can't take this one area and try to separate it out and say that it is not part of the crisis we face nationwide.

On the need for more revenue, Senator, without prejudging the results of our study, I think that a good case could be made that we probably are going to need additional revenues in the future, particularly if we are looking at the year 2020, and beyond. Many of the States realize that. I think you have seen this past year a tremendous—across-the-board in many States—I know Idaho a year or two ago raised their gas tax.

I'm from Illinois. We just raised ours out there a couple of months ago, the State General Assembly and the Governor. So, I think there is a growing recognition that we are just going to have to commit more resources. What that level should be, how much money—from an administration standpoint, we would like to wait for our policy to be developed.

Senator Symms. What's your game plan, or is it formulated yet? I realize the Administration has only been in office for about eight months now, but do you have a time frame as to when we might see the legislation the Administration would propose?

Mr. Reser. Our goal is to finish our own internal policy development by the end of this year. So I would expect a package certainly in the first couple of months of next year.

Senator Symms. So in the first two months of next year? Well, if we could get that, it would be very timely. That would give the committee an opportunity to get the bill and look through it and see how it fits.

One issue that I am sure you will hear from all of the States testifing this morning, is that it has been an age-old struggle with the lane-miles versus number of automobiles on the roads. We believe in the West that we probably have been compromised more than we should have, but there is no more room for compromise. It is 55/45, when it really should be 60/40.

When you look at the formula used to estimate how to disperse the funds, with the exception of Washington State in the Northwest and I guess Oregon's a little closer call, but all of the intermountain States, the Dakotas, and Nebraska, and States like that, have a real interest in this. Is the Administration sympathetic to that point of view?

Mr. RESER. Well, if they are not, Senator, I'm sure that you are going to do your usual good job of making sure that we are.

Let me say, in all seriousness, we recognize that this is throughout our country, in all 50 States, through the process of developing a legislative package, we are going to have to make sure that all areas of the country are represented, and all of the concerns are taken into account. I am very serious about this, you and your western colleagues are doing a tremendous job. I was on the staff of the United States Senate four or five years ago, and I saw the way you did your work. You did it quite effectively. I would expect that a similar play of events will occur this time.

Senator SYMMS. Well, it is critical enough that we need the support of the President and Secretary Skinner on this issue. Take a State like Montana, for example. It has 1,300 miles of Interstate and less than three quarters of a million people. There is no way that the people there can support that Interstate, and they don't need it, frankly.

But the rest of us need it, to drive through Montana, in particular, if we ever had to move troops or tanks across the country, we need the Interstate to do it. North Dakota, who we will hear from, is in the same shape. They have even a more difficult problem. Their economy is moving into the red with drought, high interest, and low farm prices; they are having a hard time pulling out of it.

Mr. RESER. Let me go back to something you just mentioned briefly there. I think it is something that we tend to forget these days. It was probably foremost in our minds 40 years ago, when President Eisenhower conceived the Interstate System. As I understand it, the first Interstate highway built was called the National Defense Highway. That's a point that we have gotten away from, but you are absolutely right. We have got to have a viable system for national defense purposes.

Senator SYMMS. I really appreciate your being here and I want to say thank you for holding the first rural Interstate transportation hearing when the Administration went to Moscow, Idaho. Joe Rhodes had good attendance there, and represented the Department very ably. He received lots of helpful testimony from the people in the Pacific Northwest and we appreciate it very much.

So thank you, you are welcome to sit up here or sit in the front row, or wherever you would like to be.

Mr. RESER. Thank you, Senator.

Senator SYMMS. I would like to call up Kermit Kiebert, who the Chief Executive Officer of the Idaho Transportation Department. Is John Ohman with you, Kermit?

Mr. KIEBERT. I am wearing his hat, also.

Senator SYMMS. You are wearing that hat, also. Okay. Then Dick Backes, from North Dakota, Charles Miller, from Arizona. Is Charles here? If we have Charles' statement, I would ask unanimous consent that it be submitted into the record immediately following these gentlemen's statements. Larry Larsen, is Larry here? You are from Montana, correct?

Mr. LARSEN. Yes, Senator.

Senator SYMMS. Kermit, why don't you lead off since you are the home town fellow?

Mr. KIEBERT. Thank you, Senator.

Senator SYMMS. How many miles are you from home, incidentally?

Mr. KIEBERT. Well, it would probably be closer to go back into Larry's country than to go back into North Idaho. Not being a flatlander, it seems like a long way.

Senator SYMMS. So you are from Bonner County?

Mr. KIEBERT. Bonner County. Hope. Beyond Hope.

Senator SYMMS. Well, we have great hopes for you.

Mr. KIEBERT. Thank you, Senator. It is indeed a pleasure to be here today. We appreciate you coming so far to listen to the folks in the West, particularly Idaho, and getting some perspective on how we perceive the upcoming transportation bill and some of our worries. I am in fact, wearing two hats, and I will try to go right alone. I might be just a smidgen over the five minutes.

Senator SYMMS. Go right ahead.

I might get tough with some people, but I'm not going to get tough with the head of my DOT.

Mr. KIEBERT. We appreciate that. I think all of the western States are very appreciative of your work in transportation. I know that Idaho can speak very strongly and very loudly about how much we appreciate what you have done for us.

The first statement is of the Chairman of the Board of the Idaho Transportation Board, his name is Mick Ohman, and I am happy to present his testimony.

STATEMENT OF KERMIT KIEBERT, DIRECTOR AND CHIEF EXECUTIVE OFFICER, IDAHO TRANSPORTATION DEPARTMENT, ACCOMPANIED BY HUGH LYDSTON

Mr. KIEBERT. The Nation's competitive position in the global economy is directly affected by each State's ability to move products to markets and ports. Accordingly, there is a Federal and State responsibility to preserve and improve the transportation infrastructure.

Congress is seeking new directions for transportation with the completion of the Interstate System. The new direction should recognize that surface transportation has undergone dramatic changes since the Interstate program was initiated in 1956. Trucking on the Interstate System has replaced the railroads as the principal freight mover. In 1987 at the AASHTO annual meeting, the private industry transportation council reported that 70 percent of the private industry shipment dollars were being spent on trucking.

The Interstate System has changed the mobility of the Nation. The location industry is no longer dependent upon the close proximity of the work force. National mobility via the Interstate System has contributed to new patterns of economic growth across the Nation. Access to the Interstate has become as critical to the State and national economies as the Interstate System itself.

The perception that we can forget about roads and highways when the Interstate is completed and move highway user tax revenues into deficit reduction is a sure recipe for national economic decline.

The imposition of obligation ceilings on transportation trust funds in order to give the appearance of deficit reduction is counterproductive to the necessary preservation and improvement of the Nation's transportation infrastructure. Full funding of transportation improvements to the limit of user revenue income must be a major feature of the next Surface Transportation Act.

Idaho exports agricultural and natural resource products that compete in domestic and international markets. Highway system improvements, airport improvements, freight rail system preservation and waterway navigation are a necessity for Idaho's economy to prosper. The continuance of highway trust funds at the Federal level is a key factor in transportation funding.

Idaho recognizes that high population metropolitan and suburban areas have congestion problems that must be addressed and that most of the funds previously earmarked for Interstate System construction should be shifted back to the donor States. In the interest of retaining the integrity of the highway transportation system, Idaho believes that the donor/donee State relationship in the apportionment of the highway Federal Trust Fund must be continued.

Idaho supports the concept of a highway program that provides for a defined national highway system and a flexible transportation program. The defined national system would be categorical and include the Interstate highway system and other highways selected on the basis of national criteria. The flexible program would support the State and local highways for rural and urban applications and States should have the discretionary authority to use flexible funding on multimodal investments where highways are a key factor in such combinations or corridors in high population areas. The transportation Act structure of a flexible program may have to contain options in order to address the diverse and different transportation jurisdiction relationships within the States.

Federal highway funds should be reasonably allocated to support both a highway system of national significance and the State and local feeder highways and roads that connect to the Interstate and primary highways. It is not prudent to let any highways and bridges deteriorate or avoid making improvements needed to carry the truck loads of commodities so vital to agriculture and business. All highways and roads affect the national economy and federal income tax base.

Funding authorization is recommended at one half of the trust fund for the defined national highway system and one half of the trust fund for the flexible program. States should be allowed to transfer up to 50 percent of the flexible apportionment to the national system and up to 20 percent of the national system apportionment to the flexible program.

The role of the Federal Highway Administration should be re-examined in light of the fact that the States have become highly sophisticated in engineering and regulatory compliance since the advent of the Interstate program in 1956. The mission of the Federal Highway Administration to foster professional development in State transportation departments has been accomplished.

Proposals to de-emphasize the flexible program role and authority of the Federal Highway Administration in design standards, design approvals, regulatory enforcement and project approvals must be understood as a logical evolution in the success of the Federal/State partnership.

The Idaho Transportation Board is certain that greater efficiency and reduced cost per mile of highway rehabilitation or improvement will be the result of increasing the autonomous authority of the States in matters of engineering and design under the flexible program.

Idaho visualizes a needed role of FHWA for compliance review related to national standards and objectives in the administration of projects on the defined national highway system.

In conclusion, it is the Idaho Transportation Board's considered opinion that a strong and viable Federal highway trust fund is essential to the national economy and our ability as a Nation to compete in international trade.

Thank you very much.

Senator SYMMS. Thank you, Mr. Kiebert.

Mr. KIEBERT. That concludes the chairman's statement. At this time I would like to give you my statement as well as the Department's statement.

The Idaho Transportation Board Chairman's testimony addressed new directions of the Federal-aid Highway Program that would provide for a national highway system comprised of the Interstate and other key routes selected on the basis of national criteria and a flexible program that would provide for State and local highways and roads in rural and urban areas.

The national highway system would need a Federal Highway Administration role that would be substantially as it is now. Elimination of FHWA regulations that duplicate the regulations of other Federal agencies and streamlining of certain regulations and administrative regulations that impede and increase costs of project development by the States would improve the efficiency of the FHWA and the States.

Flexible program design standards and engineering should be under the autonomous authority of the States, who, as members of AASHTO collectively, and as individual States responding to tort liability, will continue to address proper engineering and appropriate uniformity in the development and construction of highway projects. The Federal Highway Administration's role in the flexible program should be that of a project reimbursement audit function whereby bidding procedures, quantity received, and verification of eligible reimbursement are assured.

The Federal share payable for all projects in either the national highway system program or the flexible program should be at 90 percent Federal funds with a sliding scale on the national highway program for States with Federal lands. Given any amount of Federal-aid apportioned to Idaho, productivity in lane miles rehabilitated or improved is increased by 15 percent when a 50/50 match is converted to a 90/10 match, and the States' funds freed from 50 percent matching are expended on 100 percent State funded 3R projects.

Nationwide highway needs prioritized into affordable short term and long range goals should be a consideration in determining the appropriate level of revenue coming into the highway trust fund. Removal of the obligation ceilings coupled with a scheduled spend down of the trust fund balance should help address highway needs over the next five years. The Federal highway trust fund should continue to operate on a project-by-project reimbursement basis.

The apportionment formula should not be based on highway needs or lane miles of categories of highways. Formulas based on needs would distort construction programs and formulas based on lane miles of categories of highways would distort functional classification of those highways. Apportionment formula factors should respond to traffic generation, economics, national defense and total public road mileage.

In regard to apportionment, Idaho supports the AASHTO hold-harmless policy as a basis of evaluating proposed highway trust fund distribution formulas. The old-harmless threshold is based on the projected 1991 apportionment level with Interstate completion funds excluded except for a five-tenths percent of Interstate funds added to the Interstate rehabilitation apportionment.

Minimum 90 percent return to donor States should be feasible if the highway trust fund is not encumbered by artificial deficit-reduction obligation ceilings.

Transportation needs in rural and urban areas can be assessed with the categorical criteria in the current Surface Transportation Acts, but the selection of projects should be at the discretion of the States unencumbered by categorical funding restrictions except on the broad basis of the national highway system program and the flexible program.

Highway needs on Federal needs have been partially served by the public lands discretionary funding and forest highway apportioned funds. A combined public lands highway needs and size of public land areas assessment by the Federal Highway Administration and the States should be made and presented for the consideration of the subcommittee. Idaho has major project needs on highways that pass through or lie entirely within national forests. Highways passing through or within large areas of public lands cannot be constructed or rehabilitated to serve commerce or public access without Federal-aid assistance.

The alternative fuel subsidies at both the State and Federal level have been made at the expense of reducing revenues that face the safety and capacity improvement of highways. The highway use of vehicles using alternative fuels is increasing. The Idaho Transportation Department is opposed to the Fuels Act Revenue Subsidy of alternative fuels because these subsidies have the effect of reducing the ability of the States to respond to deteriorating highway infrastructure.

Truck transportation of agricultural and industrial products is essential to Idaho's economy. Along with the need to provide highway improvements to accommodate longer, wider and heavier trucks, the bridge needs assume a major importance. Load restricted bridges severely hamper the truck movement of products and commodities.

The apportionment of Federal-aid critical bridge funds is based on needs expressed in dollars. This method of apportionment provides incentive to delay the refurbishment or reconstruction of very large bridges in order to obtain the maximum apportionment. Bridge needs should not be used as a basis of funding apportionment and bridge funding should not be a separate category of Federal aid.

Highway planning and research funds are primarily used by Idaho to provide highway performance and condition information required by FHWA. The Federal Highway Administration's requirements for reporting have been increasing. With reduced apportionments, donee States are faced with insufficient Federal aid to meet the increasing Federal requirements for information reporting.

Highway planning and research funds should be apportioned to the States and there should be a cost accountability by Federal Highway Administration to Congress for the increasing information reporting requirements.

Mr. Chairman, in closing Idaho's testimony I would like to point out that the proposals for a national highway system program and flexible program, equally funded with Federal aid, are reasonable in light of the fact that capital outlay on highways is approximately shared equally between the States and the Federal Highway Trust Fund.

That concludes Idaho's testimony.

Senator SYMMS. Thank you very much, Kermit, for an excellent statement and I have some questions after everyone has spoken. I want to ask just one question while it's on my mind, that is this 90 percent back to the donee State. You said it was reasonable for the donor States to get 90 percent. They are up to 85 now. I don't want that to be misinterpreted, because we had quite a row with that already.

Mr. KIEBERT. I understand that.

Senator SYMMS. So explain that to me. That was in the Chairman's statement, not in yours.

Mr. KIEBERT. With respect to—maybe I don't have that hat on, Mr. Chairman.

Senator SYMMS. Did he mean that if we actually spent the money that is in the trust fund, then he wouldn't complain if the donor States——

Mr. KIEBERT. Mr. Chairman, I might refer to here, is that where the Chairman is coming from?

Mr. LYDSTON. Mr. Chairman, Mr. Director, it was on the board chairman's statement. It said the minimum 90 percent return to donor States should be feasible if the Highway Trust Fund is not encumbered by deficit reduction obligation ceilings and understanding a spend down of the balance, meaning that State apportionments to donor States like Idaho would not be harmed if the higher ceilings were withheld.

Senator SYMMS. Okay. You have clarified it. Thank you. It once was about 70 percent. In fairness, it was raised to 85 percent in the last seven- or eight-year period. It happened in the middle of the eighties, 1984 or 1985. It did gain support for the highway program from those other States, as a matter of fact.

Charles Miller has arrived. We welcome you here.

Now we are going to hear from Richard Backes, Highway Commissioner, Chief Administrative Officer of the North Dakota Highway Department. Mr. Backes.

STATEMENT OF RICHARD BACKES, HIGHWAY COMMISSIONER, NORTH DAKOTA STATE HIGHWAY DEPARTMENT

Mr. BACKES. Thank you, Chairman Symms. My name is Richard Backes, and I am the North Dakota State Highway Commissioner. I'm new at the job, I've only been there seven months, coming from a 42-year background in farming and business, and 24 years in the North Dakota legislature. So I'm not an expert, by any means, and I hope you will understand that in your questions.

Senator SYMMS. You didn't have to tell us that you're 50 miles from home.

Mr. BACKES. I would like to thank you for the opportunity to provide input in the development of the 1991 Federal-aid Highway Program. I believe the hearings that you are holding out here are a positive development. I do not feel that has been happening in many of the transportation groups, and that the rural interests have been heard. I want to commend the FHWA on their holding hearings in the rural areas, in cluster groups, which I think rural groups are finally starting to be heard in the process.

The present Federal-aid Highway Program has been one of the most successful, long running, cooperative partnerships ever undertaken by the Federal and local government agencies. Over the years, the system has developed the safest, most efficient highway system in the world. I put the Federal-aid Highway Program in the same category as other successful Federal programs such as the Rural Electrification Act, Universal Postal Service, and the great Water Development acts of the West.

In rural areas like North Dakota the overall good health of our entire economic system depends on the condition of our rural roads and bridges. A sound highway system is the lifeblood of a State's economic development.

The problem associated with North Dakota's road system is not moving people, it is moving commodities. North Dakota is considered the most "ag-dependent" State in the Nation, and its economy is dependent on the well-being of agriculture. No State is more dependent on transportation than an agricultural State, and no State is more agriculturally oriented, or more landlocked, than North Dakota.

Secretary of Transportation Samuel T. Skinner recently said that State and local governments will be required to foot a larger portion of the bill for future transportation improvements.

The need for additional revenue to improve our transportation system is evident. North Dakota is currently spending about $45 million a year in construction funds to preserve and improve our rural State highway system. According to a study conducted by the North Dakota State Highway Department, if we are to keep our system in the same condition in the year 2000 as it is now, we should be spending $104 million per year or almost 2⅓ times our current expenditures.

Needs are increasing at a time when revenue sources are declining. In 1985, North Dakota received $80.5 million in Federal aid. In 1988, this was reduced to $61 million as a result of spending limitations imposed by Congress.

North Dakota has a very large road network and a very small population base to support it. Increasing user fees in rural States like North Dakota does not generate a lot of revenue. The national Statewide average annual yield for a penny increase in the motor fuel tax is about $26.1 million. In North Dakota one cent generates about $4.1 million, or less than one-sixth the national average. California generates about $120 million from each cent of its motor fuel tax. This more than the North Dakota State Highway Department spends annually on its entire State construction and maintenance program.

It isn't that rural States are not trying to generate revenue on their own. In fact, residents in rural States pay some of the highest motor fuel taxes in the Nation. North Dakota's tax is 17 cents per gallon. And our legislature approved increasing the gasoline tax to 20 cents, and the diesel fuel tax to 19 cents per gallon. However, these increases are being referred to a vote of the people. I might add that polls show that we will lose it.

South Dakota's motor fuel tax is 18 cents, Nebraska's is 18.5 cents, and Montana's is 20 cents, compared to the national average of just over 15 cents per gallon.

The ability to pay and the effort being put forth by the States to generate revenue should be taken into consideration in developing the next Federal-aid Highway Program.

Many rural States are concerned that some of the proposed changes to the next Federal Highway Bill could have a negative impact on the amount of funding they receive. A great deal of attention to transportation problems in the United States has focused on large metropolitan areas, but the conditions in rural areas are critical and the financing outlook is bleak. Urban congestion and gridlock are major transportation problems that must be addressed. However, some rural areas are also experiencing a form of gridlock, or mudlock, in that they are unable to effectively move their commodities due to load restrictions placed on roads and bridges.

I would like to address a few of the proposals being considered in developing the next highway bill that are major concerns to rural States like North Dakota.

Number one, more emphasis on vehicles miles of travel and less emphasis on lane miles of road in allocating Federal funds. This would have a disastrous effect on rural States that have a large road network and low traffic volumes. One of the greatest fallacies of using VMT as a basis for funding is that remaining road life and maintenance costs do not correspond proportionately with VMT. There are fixed costs associated with taking care of a road regardless of the traffic. Factors such as type of traffic, the percentage of trucks, and dramatic climatic changes impact highways more than total VMT.

Number two, increasing State and local matching ratios. There are proposals being considered that would provide matching ratios of 60 percent Federal and 40 percent local, or a 50/50 split, for some programs in the Highway Bill. Some of these programs are currently funded on an 80/20 or 75/25 matching ratio. Increasing the local match would pose hardships for rural States that are having difficulty generating additional revenue at the local level.

Funding split between the Highways of National Significance and the flexible program. It has been proposed that funding for the flexible program be based strictly on the amount of revenue each State paid into the Federal Highway Trust Fund. This would result in a reduction in funding to rural recipient States that are currently receiving more than they are paying into the trust fund. In addition, the local matching ratios proposed for the flexible program are larger than the program for the Highways of National Significance. We would like to see a larger proportion of the funds in the Highways of National Significance Program with the ability to transfer these funds to ensure the needs of the individual States are being met.

Increasing the minimum amount of Federal highway funds that any State will receive. Currently, no State shall receive less than 85 percent of the total revenue they pay into the Federal Highway Trust Fund. It has been proposed that this minimum return be increased to 90 percent. This would benefit the larger donor States, but would have a negative impact on the rural recipient States.

Maintain a minimum allocation provision. Under the current Highway bill, some of the programs include a provision that no State shall receive less than one-half of one percent of the total funding in a specific category. A provision of this nature protects the small States with low traffic volumes, and we support continuing this concept in the new Highway Bill.

If adequate revenue is to be provided in the next Highway Bill, we must work to protect the trust fund from outside interests. There has been increasing pressure to use highway funds to support other programs. Increasing the motor fuel tax and imposing spending limitations to reduce the Federal deficit, using Highway funds to subsidize the gasohol industry, tax evasion, and the imposition of sanctions on highway dollars to force compliance with Federal regulations has become common in the 1980s. Financing roads and bridges through the user fee concept has been very successful and every effort should be made to ensure that these fees are protected and used for the purpose they were collected.

Farmers and those living in rural areas are very much a part of the American scene and need to be involved in the whole spectrum of transportation in America. The realization is needed that the rural transportation network is an integral part of the national transportation system and that a great deal of Interstate traffic originates on rural roads. Funding must be provided for rural transportation, just as it is needed in metropolitan areas.

The kind of highway system that will bind our Nation together in the future will be the result of a national effort and national program supported by State government, local officials, and highway users from all parts of the country.

Before we consider changing current highway formulas, lowering current or traditional revenues to some States, and raising revenues to others, consideration should be given to local taxing efforts and the ability to generate revenue at the local level.

There is an old saying that goes "if it air't broke, don't try and fix it." The existing highway program is working. The continuation of the current Federal highway program is essential to the future of rural transportation systems. This working relationship has been very successful in the past and should continue in the future.

Thank you very much.

Senator **Symms**. Thank you very much. We appreciate your testimony.

Next is Larry Larsen from Montana. Welcome to Idaho.

STATEMENT OF LARRY W. LARSEN, DIRECTOR, MONTANA DEPARTMENT OF HIGHWAYS

Mr. **Larsen**. Okay, Senator. First of all, let me amend the first two statements I have in my written testimony, because we were told, and I don't know just where the information came from, that first of all, you were supposed to be invited down here, and secondly, when we called your office, we were told that there wasn't any room left to give a verbal presentation because of the time restraints, so those first two sentences do have to be amended.

Senator **Symms**. We are glad to have you here, and I guess I wasn't aware of this, but——

Mr. **Larsen**. Well, we weren't either, but I did come prepared with a written statement, but I didn't come prepared to actually give one verbally, but I will.

It is clear that Montana would be hurt severely by the proposals being developed jointly by the FHWA and AASHTO in regard to a newly defined Principal Arterial System based largely on the vehicles miles traveled. The so-called "turnback" provisions incorporated in the Transportation 2020 program spell disaster for Montana's highway program.

We respectfully submit that turnback is not the answer and that the focus must turn to full use of the Transportation Trust Fund for transportation purposes.

Likewise, this country needs a renewed commitment by Congress to fund the transportation requirements we all know are high on the public's list of priorities.

I suggest we would be better off in shifting money from the Federal general fund to the transportation fund than in using the transportation trust fund to try to solve the deficit problem and all the other issues that are a continual drain on our transportation system.

Montana is primarily rural, we have a very low population and vast distances between population centers. We are an agricultural State and a raw materials exporter.

Many factors complicate Montana's highway problems, including limited population and, as a result, limited resources, severe climatic extremes, a high percentage of the State is Federal land, and a high number of rail line abandonments.

The Federal Highway Administration has extensive information which documents and quantifies Montana's highway problems and needs, but I will summarize them briefly.

Montana's 5,500-mile primary system is seriously outdated and much of it is physically dilapidated. The median age of the system is 32 years. Half of the primary system that is in service today was constructed prior to 1957 and over 1000 miles of it was constructed prior to World War II.

Montana's 4,400-mile secondary system is about 50 percent gravel road and 50 percent paved. The pavements on three-fourths of the paved secondary roads are 20 to 40 years old and have had very limited maintenance preservation work done on them.

The mediate age of the streets that constitute Montana's urban system is almost 40 years.

The primary system still has over 600 treated timber bridges, most of which were built prior to World War II. Two-thirds of Montana's off-system bridges are deficient and half of these currently have serious structural problems.

Ninety percent of Montana's 66,000-mile system of local roads and streets are gravel-surfaced. The relatively small proportion of these roads which are paved are generally low standard roadways with generally inadequate pavements.

There is good news. It is that Montana's 1,200-mile Interstate is complete and in very good condition overall. It is the one exception to an otherwise grim picture.

Montana supports the goals of preserving the existing highway system, providing access and a balanced approach and enhancing economic vitality through transportation, all components of AASHTO's document, Keeping America Moving, New Transportation Concepts for a New Century.

But we respectfully suggest that there is a goal which is not included in the AASHTO policy, or in any other work that has been done to formulate this Nation's policy direction. This goal is so basic that we might assume it is taken for granted, but it is of the most paramount concern to Montana.

It is to provide all areas of the United States with an adequate basic two-lane road.

We recognize most other States have met this rudimentary need, but that they face complex problems related to growth and congestion. Montana has not.

We advocate a continued Federal aid highway program which is fair and flexible. We suggest a fair program is one which provides every State with a minimum level of funding support at least equal to the level of support now being received.

We suggest a flexible program is one in which the State can use Federal money together with State funds to meet the State's most pressing highway needs in a sensible and cost-effective way.

Underlying this—the bottom line—it takes money to build highways, pure and simple. Any proposal that affects that bottom line is bound to affect Montana's highway program.

Senator SYMMS. Thank you very much, Larry, and I apologize if there was some confusion on whether or not we would want Montana testifying here, because we do. We think your testimony is important in the effort that we expect to make as we bring this bill forward in the next year and a half.

Charles Miller, welcome to Idaho. Mr. Miller is Chairman of the American Association of State Highway and Transportation Officials Task Force on a Consensus Transportation Program, and the Director of the Arizona Department of Transportation. So he is here wearing two hats. We want that question answered for Montana while you are here, too.

STATEMENT OF CHARLES L. MILLER, DIRECTOR, ARIZONA DEPARTMENT OF TRANSPORTATION AND CHAIRMAN OF THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS TASK FORCE ON CONSENSUS TRANSPORTATION PROGRAM

Mr. MILLER. Thank you, Mr. Chairman. It is a pleasure to be here this morning. I really applaud you in your efforts to hold a hearing here in the West, it's something that we think is very, very important to us. As you know, transportation infrastructure is one issue that is not only important to us, but important to America.

Let me begin, if I might, by using the AASHTO Task Force perspective, and speak to that momentarily, and also the State of Arizona. I think that you know AASHTO, the 50 States that make it up are currently involved in a consensus process. we are developing a new national transportation policy. This policy initiated by AASHTO in February 1987, has covered a lot of ground to this point. To date, AASHTO has developed needs assessments, some transportation goals, policy recommendations—we distinguish that from actual policy at this point—and general program structure alternatives for discussion.

As you know, AASHTO policy has in the past and will continue to recognize in the future that a national commitment to transportation is vital to the Nation's future itself. The transportation infrastructure requires a policy that involves a continued significant role for all levels of government, Federal, State as well as local.

That needs assessment that has been produced by AASHTO with the help of FHWA and a lot of other organizations throughout the United States involved in transportation, was published, as you know, in the Fall of 1988, last September, in a document that we entitled Keeping America Moving: The Bottom Line. Basically, that document indicated that our total national commitment to transportation at all levels of government for design, construction, maintenance and operation, total almost $70 billion per year.

However, it also went on to demonstrate that the needs in terms of 1988 dollars was approximately $100 billion per year. That new level to be achieved would not meet every highway need but it would meet the constrained needs of all the highway systems around the Nation. While no official recommendation has come from AASHTO to this point, our subcommittees are indeed working on what that share should be for example; currently at the Federal level it is about 25 percent with State and local level making up the rest. If that were to be the case, then a level of about $25 billion per year would be required at the Federal level to meet the existing needs, just to keep the status quo.

While AASHTO has made no decisions yet relative to its policy and recommendation, it has centered on some discussing proposing a multiyear buildup of Federal financing that would see the Federal share, beginning in 1991–92, at around $17 billion and climb gradually to that $25 billion sum at the end of the 1995–96 period.

In addition to the publication of the needs assessment and funding requirements, AASHTO's goals, policy recommendations and general program structures are close to being completed. The document in which that will be found is tentatively entitled "Keeping America Moving: New Transportation Concepts for a New Century," and will provide our recommendation for the framework of the future.

The major goals of AASHTO that it has set forth to date for consideration in the development of a national program, are basically as follows: preservation of our existing, programs to approach the problem of congestion in the urbanized areas, safety for the travelling public on all of our highway systems, access and balance to all areas of the United States, both rural and urban, planning and research, and innovation of new technology.

All these lead to one basic overriding goal. That is to serve the needs of the country in terms of economic vitality. We feel that the Nation's surface transportation program should preserve and enhance the vitality of this Nation's economic vitality by providing employment, reducing transport costs, improving freight movement and productivity, and revitalizing rural America, rejuvenating blighted urban areas, supporting existing land uses, attracting economic development, providing transportation for rapidly growing regions, and improving international competitiveness.

In general, the AASHTO policy recommendations call for continued Federal oversight of a Highway System of National Significance, wherein that Highway System of National Significance would involve the Interstate highway system, plus some 100,000 additional miles of major rural and urban routes. We feel that there are also issues of national significance involving transportation beyond just definable highway systems. Those are urban mobility, suburban congestion, rural access, and modal interlinks.

We believe that the Federal-State partnership which has existed has worked well over the years since its beginning, in producing one of the best national surface transportation systems in the world. Therefore, AASHTO believes that the existing Federal-State partnership should be retained for the programs addressing national surface transportation needs and only slightly modified for programs addressing State and local surface transportation needs.

We believe that future programs should have reduced categorical restrictions, allowing flexibility across the face of the country for the use of those funds. We recognize the significant differences between the various regions of the United States. We feel that future programs should provide for that flexibility.

We feel that another series of characteristics that new programs should have would be simplicity and straightforwardness in the manner in which it is administered, simple formulas for the distribution of funds—and I can tell you that it is not AASHTO policy at this juncture to support turnback or to have formulas for distribution tied to miles on the principal arterial system.

The Federal Highway System should be made permanent——

Senator **Symms**. When you say "turnback" you refer to turning monies directly back to the States if the Trust Fund gets too high?

Mr. **Miller**. That's correct, sir. We feel frankly that turnback of funds to the States to use would be subject, obviously, to the unresolved needs that exist in other areas of that State, and certainly those needs are large in other areas, services and what have you. Direction of those funds to transportation, I think, would be best served if it is part of a national program. I believe that represents AASHTO's as well as Arizona's position in that regard.

As we mentioned, we feel that the Federal Trust Funds should be made permanent, moved from the unified budget process, and released from obligation limitations.

Very briefly, sir, the Arizona perspective is that we support the AASHTO position. We believe very strongly in the Federal focus on the system of national significance. We believe also in a flexible system also at the State level. We believe that such a national system is in the national interest and should thus have national standards associated with it.

Certainly, as director of the Arizona Department of Transportation, I represent a State which has great diverse rural and urban needs both. I also believe in the flexibility to meet those transportation needs. Equitable user fees that reflect as closely as possible the benefits derived and the wear occasioned should be levied at the Federal and State levels.

Arizona's roads, much like other States' in the West, take a beating from Interstate travelers. Long miles and low volumes characterize most of our rural Interstate and non-Interstate highways. It should be remembered that keeping those links at an appropriate level of repair will require adequate and predictable funding levels, like those available through the application of user fees.

We believe that some degree of donor/donee relationship is necessary at the Federal level due to the presence of long stretches of low-volume roadways, particularly those that exist here in the West. We believe that if the Federal Government is going to increase its commitment to transportation infrastructure, which we think it should, and we also see it doing it in a way that enhances at the State level, and our ability to raise funds at the local level.

I don't know whether the direct solution to that is to increase State match, however, it is something that should be considered as we formulate a new national program.

In summary, our national transportation policy has always included a Federal role in providing transportation systems for rural America. The continued existence of the Secondary Road plan and the Secondary funding category is evidence of that to this date. The importance of rural America to our Nation's gross national product, our position in the world marketplace, and our future international competitiveness should not be overlooked or undervalued.

I want to thank you for coming here and holding these hearings.

Senator Symms. Thank you very much. I want to thank all of you for very helpful testimony.

Kermit, I have one question that I think you knew I was going to ask you; I have talked to people about it some, and I think I know what part of the answer is, but as you know, Federal safety requirements requires us to do a lot of rock clearing, and so forth.

I hear from hundreds of Idahoans who complain to me about the fact that the Interstate is rough going particularly down there in the Glens Ferry Mountain Home area, going back toward Boise, and then they get down there and they see all this rock clearing going on. They say to me, "why don't you get all that fixed, so we spend the money fixing the roads and not clearing the rocks?"

Can you address that? How much money do we spend on median clearing, and is there any evidence that we are going to get it so slicked up between the lanes that when someone dozes off on the road, instead of just wiping himself out, he's going to hit somebody else that's coming the other way?

Mr. KIEBERT. Senator, I appreciate your asking me that question.

Senator SYMMS. I suppose you haven't heard that before?

Mr. KIEBERT. As a matter of fact, no, and I am happy that they did share their concern with you.

First of all, we spend about $2.5 million. Interestingly enough, it was supported by a lot of the local elected officials. Probably the greatest error, if there was an error, is that we need to do a better public relations job, which we are doing now.

The cost benefit ratio there was outstanding. It was one of those situations where by the eradication of the lava in the median that there could be a long-range cost benefit. Interestingly enough, I shared this with Taylor, one of the most vocal opponents of this project wrote a letter this past winter after a lot of the work had been done, and expressed her appreciation that it was done, because if the project had not taken place, she felt that she might not have been here to write the letter.

So there was a furor, there is still some remnant of that out there, but generally speaking, folks are most appreciative. I am happy to hear that at least they were quantifying it with another road project. In many of the letters I had they were wondering why we weren't building schoolhouses, so at least they were hanging in there with respect to transportation.

Senator SYMMS. This is a question to any of the other States. Do you have similar situations? I'm from an old farm background, and the guy behind the wheel has to be responsible. If he runs off the road, it's too bad, you're supposed to stay awake and alert.

I had an experience I would like to share with you. I won't repeat the person's name that fell asleep while we were driving on the Interstate and ran into the middle on one of those slick areas. Nothing happened and we were able to get back up on the road. I have had that happen to me.

What about the other States? Do you have this problem of clearing the median between the Interstate?

Mr. MILLER. Senator, we don't have that much of a median strip on our Interstate System, obviously, in Arizona, but we certainly have the problem of roadside hazards, falling rock caused an unfortunate fatality just a few days ago, a rock came rolling down off the side of a cliff.

Senator SYMMS. I don't know of any State in the Union that has any tougher terrain to run roads through than Idaho does. There may be one somewhere, but I'll tell you, we've got some really tough places to put roads in this State, and it is costly, and hazardous, as a matter of fact. It is a difficult problem.

The argument is, and this is the Federal Highway Administration's argument, that if we do some of this, in the long run, the $2.5 million we spend, we will save both lives, which are invaluable, and property and equipment.

Mr. **Kiebert**. I think the biggest thing, Senator, would be the cost benefit ratio, it isn't to fatality, which is a very sad state of affairs. There is the paraplegic costs, all those kinds of things. Unless they figure that over time, in the cost of money, it becomes very economical to take that hazard away. We have a track record down south in Pocatello, McCammon, reportable accidents almost disappeared once that run-off area was there. It is easier to correct it within 50 feet than six feet, you know.

Senator **Symms**. Okay. There are a couple of questions I think we ought to get on the record. One is, how are each of your States doing? I would like it if you could give us a brief summary, on how you are doing with respect to safety, and the 65-mile an hour speed limit? Is there any effort in your States to lower it?

Kermit, do you want to start, or do you want to start in North Dakota?

Mr. **Backes**. There is no discernible effort to back it down to 55. In our State we appreciate the 65-mile an hour speed limit. I see a recent study came out indicating that there was a higher accident ratio in the 65-mile speed limit, and I am fearful that that may bring back the 55-mile-an-hour limit.

Senator **Symms**. Some of those statistics were, in my view, erroneous. They had a bus accident in Kentucky, for example. It was tragic, 27 people lost their lives, but the speed limit had nothing to do with the accident. It was another factor, yet it had to be weighted in the Kentucky statistics. One accident with 27 fatalities would distort any set of statistics.

I keep telling people, that all we did in Washington was to allow the States to raise the speed limit and if the States think it's not safe, they are welcome to lower it to 30 miles an hour, if that's what they want to do. It's a free country.

But I think there are about a million people in the State of Idaho that would have something to say about it to the legislature and to Kermit if somebody made that effort. Because from my observation, from my driving around the State, people are cooperating very well with the Interstate speed limit. The traffic is moving at 65 miles an hour and it saves an awful lot of time.

Any difference in Montana? Any problems?

Mr. **Larsen**. I think we have seen the other side of the story. Our deaths on our highway actually went down. But on the other hand, we did pass a seat belt law, which I think probably took care of some of those statistics on the thing. I think if you were to lower the speed limit in Montana down to 55, we would probably have our three quarters of a million people in Helena pounding on the desk.

Senator **Symms**. One thing about that is, you get so bored driving on those long stretches of highway. If you have to go 55, they go to sleep and run off the road.

Mr. **Larsen**. That's right, you travel from one side to the other and it takes you 655 miles to get there, it's——

Senator **Symms**. That's 10 hours at 65.

Mr. **Larsen**. That's right.

Senator **Symms**. How about Arizona?

Mr. **Miller**. Senator, we see no correlation between the increase in the speed to 65 miles an hour on the Interstate to traffic accidents at this juncture, and we certainly agree with your comment regarding some other studies that purport to show linkage of fatalities to the increased speed limit.

Senator SYMMS. The only complaint I have received from people about the speed limit in Idaho is that people who drive from Boise to Sun Valley have to be a little more careful, or they will get a ticket for speeding on that road. So they keep telling me, "why can't you do something about raising that one to 65?" And I'm sure that Kermit and I agree that it should be done.

Mr. KIEBERT. As a matter of fact, our highway traffic safety commission did in fact look into it. We can find absolutely no correlation between the increased speed and fatalities. We are delighted.

We had one suggestion which was maybe we should do it like Germany and really enforce the speed where it needs to be enforced and then open it up like on Autobahn. I know that's a little radical. But I understand that their fatalities and so forth are appreciably less than ours. I'm not advocating it, I'm just mentioning it.

Senator SYMMS. Maybe we can get together and have some kind of a bipartisan plan on something like that.

Mr. KIEBERT. We'd both get in trouble.

Senator SYMMS. I don't mind getting in trouble.

Let's talk about another subject—design requirements. You mentioned in your statement, with respect to Idaho, that you see a lessening role in the future of the Federal Highway Administration with respect to design requirements and technical standards. I didn't ask Galen Reser that question, but I will submit this to the record, the Federal Highway Administration reduced the number of staff by about 20 percent.

If all levels of government would do that, we would have a much leaner Federal Government. But the Federal Highway Administration is one agency that actually went out and administrated a program and reduced the numbers of people that they had to do it. What changes should be made to design requirements for Federal aid secondary roads, bridges, the whole shooting match, by the Feds?

You first, Kermit, and then anyone else who wants to chime in.

Mr. KIEBERT. First of all, I think you probably need to involve more than just design requirements. We are struggling with things now, Charlie I know you are going to be struggling with the Clean Air, we are struggling with the wetlands, those are the kinds of things that really drive the costs up for States. The other thing is that States have become more sophisticated in their needs and designs. I think we need more autonomy at the State level.

Senator SYMMS. How about uniform liability standards? Is there a problem if the Federal Highway Administration got out of the way and said AASHTO and the States can handle it, and we're going to be a disbursement outfit and check the auditing as the chairman recommended? Which, to me, philosophically has a greater appeal.

What happens then if you build a bridge somewhere and someone gets killed on it, and there is a lawsuit. They say it didn't meet the standards. You are the expert on that.

Mr. MILLER. Well, I'm far from being an expert.

Senator SYMMS. Anybody that comes to Idaho from 50 miles away we call an expert.

Mr. MILLER. Well, I do qualify then. I don't see that design standards, certainly as promulgated by AASHTO, that folks will actually do the development of the design standards and specifications and FHWA helps administer them and determine the uniformity. That's not the real problem. Kermit hit the real issue.

The other peripheral items that are imposed upon States in the conduct of their highway construction are the problem. Mitigation of wetlands is an excellent example. Not that we have a problem with wanting to preserve the environment. We certainly do that.

I think we have tremendously over the last 30 years determined highway construction to fit with the environment. That's not easy to do, but it is a rational application of those kinds of mitigation of wetlands. I can recall some stories that would be just wonderful for the record.

There were some situations where we have had a small swampy area develop simply by virtue of bad management of drainage over the years by some other entity, that became declared a wetland, and before we could build a highway, we had to go and build a swamp to replace it. That's kind of ridiculous.

It's those kinds of horror stories that pervade our industry. We find it frustrates us so much. The actual design standards are such that if there is a good valid reason to want to change them, for example, in a Federally financed highway program, waivers can be requested and received. I've done that in our State many, many times. I know that I've done it in other States around the United States as well. So that's not a real problem in my view.

Senator SYMMS. Okay, let me ask you another question. What about the fact that the Federal Highway Administration requires that Contractors get bids for the steel and concrete. Does that save you any money or just add additional cost?

That seems to me a little redundant, but of course, the argument from the Feds point of view is that if it is a 90/10 funded project, that the Federal Government ought to be entitled to make sure that everybody is actually getting the best price out there.

So tell me, is that an additional unnecessary burden, or are you actually, as a result of some of these requirements, getting better bids on concrete and steel? I would like to hear from all of you, briefly. We'd like to know the answer to that question.

Mr. MILLER. The issue is presently one involving alternative design of bridges over a certain size then Federal Highway Administration requires that you look at two different types of design. It has resulted in terms of savings, there is no question about it.

It was frustrating when it first came out, I opposed it when it first came out as a Federal requirement, because it took twice as long to get the design job done, as a matter of fact. On one job I recall it cost me two and a half years. That's a burden certainly.

However, over a period of time on the larger bridges, it has been my personal experience that it has resulted in savings. I think the problem there is one of judicious application of that requirement. In some areas where you can tell ahead of time that you are not going to save any money by that approach, and thus you should not have to go through the design process. So, a lessening of the rigidity would be my recommendation.

Mr. **Larsen**. I might just touch on one thing that has always bothered me. We have been in the business of minority business and disadvantaged business administration policies for the last 10 years and if something adds some money to construction of a highway, I think that probably does.

I don't know how long the training period has to go on. I guess along with the Air Quality that I'm stuck with now, for example, now they are telling me that I can't sand the icy streets and highways with the dirty gravel. I have to wash gravel along with dealing with the waterways and the historical society and a few of those—it does add a lot of cost to building a highway.

Those peripheral things do add to the costs. I don't think the design standards are the big problem.

Senator **Symms**. What would happen in your States if the Feds just said "Here's your money. You're on your own. You don't have any of these requirements." What would happen to your own State Legislature? Would they be worse or better than the Federal standards?

Mr. **Larsen**. I think we could live to adjust. In fact, I am a little maybe ignorant to the fact—what happened to the common rule?

Senator **Symms**. The third-man rule? The environmental movement repealed that.

Mr. **Larsen**. Okay. That would have done that, basically, whereas they could have audited our books and we would not have had any problem with that, but like I say, it takes a lot of dollars to administer these other costs.

Mr. **Kiebert**. With respect to what Charlie was talking about, the alternative in terms of steel and concrete for bridges, we had a discussion specifically this morning about that, and although many times it looks like there are some hidden costs, that it does cost you, in fact, that don't appear on the bids, such as preliminary engineering and so forth.

So I agree with Charlie. I think there needs to be some flexibility because it is not there now.

Second, we have entered into a program in Idaho called a secondary buy out where we give local entities with jurisdictions over the roadways a chance to just take the money and develop their own program without the Federal guidelines and red tape and so forth.

It seems that it is going to be reasonably successful, because many times what might be applicable for Arizona with regard to secondary kinds of roads might not apply to Idaho. So I think there needs to be something like this.

It is frustrating, for instance, in an overlay program, where you come in with an overlay and find that your guardrail is an inch too short or too low. Before you can get the Federal dollars, you are going to have to include that as part of the program. Now, that's the kind of design standards I think there needs to be some flexibility in, particularly because what it is doing is driving the costs up of the project to where some of the projects you no longer can reach them.

Senator **Symms**. How about the minority business setasides? Are we doing any better now that we have allowed women to be classified as a minority?

Mr. **Kiebert**. That's a tender spot, I think.

Senator **Symms**. That's why I opened it up a little bit. I've been criticized by other minorities because there is so much competition there.

Mr. **Kiebert**. One of the problems we are finding in Idaho is that we no longer have the subs that we did historically in terms of guardrail, flagging, and so forth, and it has almost totally wiped out any competition. That's the only place in particular, of the larger jobs.

Senator **Symms**. Well, as we go on this afternoon, I am going to ask some of these questions to the county highway districts. I hope some of you can answer. Sometimes it is these people that complain to me that AASHTO standards are too stiff. They say if we just leave them alone they will go out here and build a pretty good road.

What I want to do is have the program funded as well as we can possibly afford to do it, and give you the most flexibility to get the best roads for the dollar. I think that is probably what all of our goals are.

One last question. Then I will let everybody go. What is your experience with bridges constructed with wooden piers? One of you mentioned you had a lot of wooden bridges in Montana.

Mr. **Larsen**. We've still got some timber trusses.

Senator **Symms**. How does wooden bridge construction and maintenance costs, and durability, compare with steel and cement? And should this be acceptable where timber is available?

Mr. **Miller**. From our perspective, it should, yes, sir. There is nothing at all wrong with timber structures. As a matter of fact, there is a lot of research I know going on in States in the east that have a lot of timber, in terms of laminated construction.

Senator **Symms**. Of course, we may have to build the ones in the West out of spotted owls now. I don't know whether spotted owls make good bridges or not.

Mr. **Miller**. We can't cut the trees for the treesitters.

Mr. **Backes**. Senator, I have just one comment. I wish there was a little bit of flexibility in the Federal programs in the sense of the design and formation. That's fine so that the signs are all the same and recognizable. But when you get to bridge rails, the standards don't fit in North Dakota. When we put up the rail that they recommend, we have a snow problem that is probably more hazardous than the bridge ever was. They make you put that wide rail in.

Senator **Symms**. And the snow piles up on it?

Mr. **Backes**. Oh, sure, it piles up. The bridge is blocked first, and they absolutely won't change. Of course now, there is some excitement because that bus went off the bridge in Kentucky. They are telling us we are going to have to have some kind of a bridge study program, they are talking about 500 year flood we have to work into it.

Not being an engineer, I don't understand it all, but I know in North Dakota, a flood is one inch of rain. Fourteen inches in a year is the maximum. To worry about a 500-year flood is just ridiculous, and my engineering staff tells me it is going to be very, very expensive, we have a very limited time to do it, and I don't know how we are going to get that kind of thing done.

Finally, the historical, the environmental, archeological the reservation taxes, and the minority groups, all raise costs. We happen to be a State that's been hitting ten percent all the time, and I understand we are now at eight percent. We are the only State in the Nation that did not make 10. Of course, that's put them into orbit, the Federal people, and I don't know how we can get any higher, we try, it just didn't happen, the wrong contractors got the jobs.

Senator **Symms**. I guess what I would say is, I would urge every one of you to do what Kermit Kiebert and Hugh Lydston and the people from Idaho do. That is, they sit down with my staff and with me and keep us advised of what is happening. I appreciate it, and I think that particularly for Senators that are not on the committee, it is important that you tell your colleagues in AASHTO to really concentrate on spending some time with their senators.

We win some—we lose some votes. I fought these battles for several years. We win them once in a while, then we lose them.

Davis-Bacon is another thing. Costs us a fortune, pays people $17.00 an hour to hold a flag out here. I know it's a hot issue, but it is not really market-competitive for what the reality is for what you can hire people to do it. Those are requirements that if we can win some of those things, we could save some money.

On a $150 million job on the Woodrow Wilson Bridge, the committee got riled up because former Federal Highway Administrator Barnhart had tried to deregulate the requirements on Davis-Bacon and the backlash that came from Congress was to overrule the Administrator and it cost $60 million more to complete that bridge. That's incredible.

Almost 25 percent more costs just to do that one job out there, after the Davis-Bacon requirements were tightened up a little bit and made more restrictive. That costs a lot of money for the taxpayers. It slows down the safety and improvement on the roads because we don't get as many built.

Thank you all very much. We will keep in touch. If we have any more questions, we will send them to you to answer in writing. Thank all of you.

I forgot to mention also, that I want to thank the City Council for the use of their building to hold this hearing.

We'd better get moving here. I just discovered my watch has stopped.

Panel 2 consists of Bart Barker, Clyde Burtenshaw, and Val Arvas. Come on up. We have Salt Lake County, Bonneville County, and Bannock County.

Well, due to the fact that my watch stopped, you each have 30 seconds.

I might ask a question here of Panel 3. Is there anyone on Panel 3 that has to leave? I am going to put that panel on the afternoon if it's okay with everyone. Is that okay? Good.

Well, let's fire away with this panel.

Mr. **Burtenshaw**. Senator, let me introduce Bill Manuel, our engineer sitting with us, to give technical assistance if we need it.

Senator SYMMS. Good. Why don't you go right ahead, Clyde? We'll start with you.

STATEMENT OF CLYDE BURTENSHAW, COMMISSIONER, BONNEVILLE COUNTY, ID

Mr. BURTENSHAW. Senator Symms, I appreciate the opportunity to be here and discuss our highway problems with you.

Bonneville County has historically had an ambitious Federal aid secondary roadway problem. We have always used our full allotment as well as some of the allotment of other local jurisdiction who did not participate in the FAS program.

Bonneville County always has used all of our FAS dollars for construction costs only, developing and design these projects with County dollars.

During the 1960s, Bonneville County's FAS program consisted of 14 projects that reconstructed 66.1 miles of county roads. During the 1970s, our FAS program consisted of five projects that reconstructed 22.3 miles of roadway. During the 1980s Bonneville County had designed and constructed one project with a length of two miles.

This decrease in project size and frequency has been due to several factors, all related to the cost/funding relationship. As construction costs and design standards have increased, we were able to rebuild fewer miles of road with the same amount of money. The increase in the FAS funds available to us were magnitudes less than the cost increases.

Because this same cost/funding applied to the local funding source, more requests for FAS projects resulted as other local agencies tried to maintain some sort of road construction program, further deleting the FAS program.

In 1988 the Federal-aid Secondary Buy-Out Program was approved and offered to all local roadway agencies in the State. This program offered all of the local agencies the option of exchanging their FAS authorization for State dollars. This money could then be used the same as any other local roadway monies.

The FAS Buy-Out is a much better program for many of Idaho's local agencies than the regular FAS program. But for Bonneville County it has removed the opportunity to utilize other local agencies' unused FAS allocations. These unused local allocations are now acquired and used by the State. This has resulted in a drastic decrease in our effective FAS program. Because most local agencies participated in the FAS buy-out, in fiscal year 1989 Bonneville County had no FAS projects on the Idaho Transportation Department's six-year program.

Because of the bleak outlook for future FAS projects Bonneville County also joined the FAS buy out in 1989. Bonneville County faces a similar situation when we look at our local funding for roadways.

Since the so-called one percent limitation has been imposed on all taxing entities in Idaho, limiting the increases in local taxes to basically five percent per year, the amount of roadway money raised by local taxes has decreased dramatically.

As costs for other county services—law enforcement, welfare, insurance, etc.—has increased at a rate greater than the allowed growth in taxes, the commissioners have had to transfer local tax levies out of the roadway projects to fund these other mandated programs.

With the Interstate System essentially completed, and with the need to reauthorize the Federal-aid Highway Program, we as a local jurisdiction would encourage a higher funding level for the local FAS system in conjunction with the FAS Buy-Out program. This would make more money available to the local agencies to build roads with.

The local agencies could either use the FAS funding to rebuild our high volume roads using the FAS standards or exchange the FAS allocation for State dollars and use them to rebuild our lower volume rural/agriculture roads using local design standards and local agency construction decisions. This would increase the roadway mileage constructed per dollar compared to a typical FAS program requiring higher design standards and higher cost FAS construction contracts. These State dollars could also be used to rebuild deficient bridges, remove high hazard locations, installing railroad signals, etc.

With the Buy-Out Program, the State would then have additional Federal-aid money acquired from the local agencies to meet their needs which are very similar to ours. This additional money would have to be used with the higher design standards and utilizing FAS contracts. These standards and contracting procedures are already utilized by the State and therefore would not impose as much a burden on the State as they do on local agencies.

Senator Symms, again I appreciate this opportunity, and in whatever time remains I will try to answer any of your questions.

Senator SYMMS. Thank you very much. Val, welcome to the committee.

STATEMENT OF VAL ARVAS, BANNOCK COUNTY COMMISSIONER

Mrs. ARVAS. Thank you. Welcome home, Senator Symms, and welcome to Idaho to the rest of the committee.

It's a pleasure to have the opportunity to testify before the Subcommittee on Water Resources, Transportation and Infrastructure. I appreciate your traveling to our great State to allow more of us to speak to some very timely transportation issues from the western viewpoint. Realizing the limited time for today's hearing and the Senator's stopped watch, and knowing that Clyde would talk on funding allocations, I have summarized some brief general remarks.

I have recently been appointed to the Idaho Association of Counties Transportation Committee and I am hoping to be appointed to the National Association of County Transportation Steering Committee that Commissioner Barker chairs. We feel it is important to have someone from Idaho on that committee because of the important role you will play, Senator, in the 1990 Highway Bill.

Because of those appointments I have been busy researching the Federal-aid Highway Program and the role that Federal, State and local government will play in the post-Interstate era. Transportation is something real new to me, and it has been just in the last month or so that I have been looking into it.

In a recent newspaper article, Idaho Public Utilities Commissioner Perry Swisher claimed:

> As a metaphor, knowing where we're going in any sense other than physical access or transportation requires unending debate, inquiry, research and consensus-building. But, when it comes to transportation, the record is clear. The Nation, spanning a great continent, could not have been stitched together without that commitment to universal access. The decisions were made, first a canal or a post road at a time, to build the economy and not just the Nation.

As the Subcommittee studies the direction the Federal-aid Highway Program should take, I would implore you to keep in mind the economy of rural America and how transportation issues can impact Idaho's economic future drastically.

Every household in America should be assured equitable access to a transportation system, but rural parts of our country are sometimes shortchanged. That is easily understood, with the concentration of policy-makers and their staff living in Washington, DC, or its suburbs. Members of Congress, even those representing agricultural areas or rural communities still in the Capital.

That's why we appreciate so much your visit to Idaho. The West has specific concerns that need your consideration. The new Federal Highway Program should not simply be a program to rebuild the Interstate and primary systems. We know that sections of the Interstate System will need some Federal money, but many other essential transportation needs must be addressed.

Idaho is an agricultural and industrial State. Continued enhancement and retention of the rail system is necessary for our farmers and timber and mining industries to get their products to market in the most economical way possible. Abandonment, forcing highways to bear the weight of timber and crops is, I think, a bad policy.

Although airline access is not directly related to the Federal-aid Highway Fund, I feel at some point it should be addressed by the Subcommittee and I would be remiss if I did not tell you about some of the problems we have with airline access in our county. Many feel deregulation has helped to eliminate jet service completely in our county.

Our county is 55 miles from here, and it has a population of about 70,000 people. Without jet service, many economic development efforts have been killed. It's difficult to sell or promote your area or offer incentives if your prospective clients can't reach you by air transportation.

In conclusion, as new legislation is drafted and distribution formulas are considered, please keep local government needs in mind. I urge the Subcommittee to work cooperatively with the Idaho Association of Counties and the National Association of County Transportation Steering Committees, both of which have developed significant expertise and input on the role of local government in the Federal-aid Highway Program.

Thank you very much.

Senator SYMMS. Thank you very much. We appreciate your statement.

Now, Mr. Bart Barker, welcome. We are glad to have you up here.

STATEMENT OF BART BARKER, CHAIRMAN, TRANSPORTATION STEERING COMMITTEE, NATIONAL ASSOCIATION OF COUNTIES AND COUNTY COMMISSIONER, SALT LAKE COUNTY, UT

Mr. **Barker**. Well, it's not very far for me to come, emotionally or physically. My mother was born and raised in Idaho Falls, we have relatives in Paul and throughout southeast Idaho and my brother-in-law is a city attorney in Pocatello. So there is a great interest in Idaho politics and culture.

I represent not only Salt Lake County, but also the National Association of Counties Transportation Steering Committee, which as Val indicated, I chair. I have been a member of that committee for the past nine years. I have also served during those nine years on the transportation committee of the Utah Association of Counties.

We really appreciate the chance to participate in today's hearing. We believe that, in fact, that the establishment of the completion of the Federal Interstate System really has driven the National Highway Program for the last 30 years. As I drove from Salt Lake to Idaho Falls, and passed through Tremont, I recognized there are some gaps in the system. However, the system for all intents and purposes will be about complete by the time the reauthorization period comes around.

We believe the resources that have been directed toward this massive 30-year public works program can now be directed toward other priorities in the interest of national transportation policy. Defining the appropriate Federal role in the post-Interstate era will be a critical process. We believe it will affect every citizen and every level of government and will help determine the Nation's ability to compete in a global economy.

We think it is going to the most important thing the Congress does in the next ten years. We have been preparing for this process for over a year. We have tried to develop a consensus with other users and providers of highways, including AASHTO, other local government groups, the Highway Users Federation, through a process known as the Transportation Alternatives Group.

I am now going to talk about it by giving you a copy of Linking America, which if you will look, I have marked the Idaho pages. This is the first compilation of statistics about highway funding in every State of the Nation on a county level. This study indicates what county funds are available, what Federal funds are available to counties, and the conditions of county bridges. We believe that this is a great resource. We have already provided copies to your committee staff; this is your personal copy, Senator.

Skipping ahead on my remarks—I will summarize those as much as possible because of the time schedule—we think it is time, as the Federal Government looks at what the new Highway Program should be, for a true Federal-State-local program. We believe for too long the Federal program has been based only upon a relationship between the Federal Highway Administration and the 50 State Departments of Transportation.

We think that this works for some counties and some States, but for many counties throughout the Nation it is unsatisfactory. Some State departments of transportation do tend to ignore the needs of local governments because their own needs are great and their resources limited. We think that rural access and congestion in urban and suburban areas are a priority that has to be dealt with, and local government has to be involved.

We also would ask Congress to require a process in each State to ensure local representation in the decisionmaking, the setting of priorities and the funding. And let me reiterate what Val said—we believe that the Federal Highway Program should not simply be a program to rebuild the Interstate and primary systems. There are many other essential transportation priorities.

Rural needs are greater now than they have ever been. It is ironic that during the past few years, rural highways have been ignored the most on the Federal program. It is ironic because it was the rural farm to market system that was the initial reason for the Federal Government's involvement in a national highway program.

That rural program been put on the back burner. They are an important link, not only between where people live and the Interstate System, but a link between the industries that are supporting our Nation, and the markets those industries serve—agricultural, mining, lumber, tourism and every other industry you can think of. Poor roads increase the operating costs of these industries, and make us, as a Nation, less competitive in this international market where we must do much better than we have been to survive as a Nation.

We believe that the Federal role in rehabilitation has to grow substantially. The number of trucks, especially heavy trucks and other heavy equipment using our roads, is increasing substantially. The bridge program is another rural concern. We have almost 165,000 county bridges that are now substandard and must be dealt with.

I am going to move on to urban and suburban mobility, because in many counties urban and suburban government is county government. Salt Lake County, with a population of about 710,000, is one of the many urban and suburban counties facing serious congestion problems.

This statistic, I think, will apply to many areas. We have right now $1.1 billion in highway needs over the next five years, and we don't believe the $2.9 million we receive in Federal aid——

Senator **Symms**. That's in Salt Lake County?

Mr. **Barker**. That's in Salt Lake County alone. We have $1.1 billion in needs for five years and we get $2.9 million in Federal aid programs. It won't go very far in addressing our needs. We would recommend, and we would urge, that the Federal-aid urban Program be converted to a suburban/urban mobility program. The objective of this program should be to upgrade county and other local highways, or State highways where appropriate, to relieve congestion, and in some cases build new routes to relieve increasing traffic.

We also believe mass transit is necessary. More and more counties, not just urban cities, are needing more help in the mass transit area.

Let me conclude by indicating that we believe any new legislation should include language requiring that trust funds be expended as they are collected and that we restore the sense of trust to those trust funds. We believe users have a right to expect their user fees to be utilized for the purpose for which they are collected. The legislation should prohibit a buildup of those trust funds.

We also urge for the sake of Idaho and other western States that mileage remain an important component in the formulas.

That concludes my statement, and I am also willing to answer any questions I can.

Senator **Symms**. Thank you very much. What I need to do is to keep my other appointment and leave my two counselors here to ask you questions, because I think we need your comments on the record. Mr. Taylor Bowlden and Ms. Jean Lauver. So you can address some of these questions that we discussed with the State Highway Departments—and I think you all heard their testimony—I think it would be good for the committee to have your comments about requirements on road safety specifications, bidding, cost sharing, etc., on the record.

So I will excuse myself. As soon as they are completed the committee will stand in recess until 1:30, and I will be back, and thank you.

Mr. **Bowlden**. The Senator's first question is on the design requirements. We have heard from a lot of local highway district officials who complain that their ability to use Federal aid projects is limited for a number of reasons. They have mentioned the environmental requirements, labor requirements that are imposed, but certainly in part because of the design requirements and matched Federal aid projects established through AASHTO and the Federal Highway Administration. They believe that there may be other entities that would be better able to establish design requirements that would be appropriate to secondary highways, the rural county roads or perhaps even some urban roads. What would be your comments on that point?

Mr. **Barker**. Representing an urban county in a rural State, I've seen both sides of this. My experience has been that we have less of a problem complying with those design standards in our urban area where the congestion alone calls for those kinds of standards, than the rural areas do. Many areas of Southern Utah, for example, simply have a hard time accepting Federal funds and getting projects done at all because of some design standards.

They complain more, however, about the environmental requirements, and about the bidding requirements than anything else. Yet, in my area, the bidding is not a serious concern. We do that as a matter of course. But when you get into the outlying areas of the State, with most of the contractors, at least the larger ones, located around Salt Lake, and along the Wasatch Front area, which is near Salt Lake, transportation costs become a large element of the bid responses.

As the contractors are bidding and the costs are going up because of the specific requirements on design standards, environmental requirements and other areas, even the minority business enterprises requirements in some areas of the State, there is a problem. The rural areas are really up against a series of problems that we in urban Salt Lake County don't experience nearly to the same extent. It speaks to the desirability of perhaps setting a different kind of standard for rural systems than are required on State and primary systems.

Mrs. **ARVAS**. I know that we have had one Federal-aid Secondary Project in the last year that was completed. I know that the design standard requirements is something that our county has learned to live with, but our road and bridge supervisor did tell me that he could have built twice the road in half the time for half the money on this particular project.

Right now, and I think Idaho might be unique, we have the secondary buy-out that Mr. Kiebert related to. We have dedicated last year's secondary money and the next four years for a certain project in one of our rural cities that is our main street. The bidding has not been a problem on that, because we are just setting that money aside.

I would share Bonneville County's concerns about the buy-out because we had also been able to use other counties' and jurisdictions' monies that did not use it. Now, of course, they are taking advantage or just cashing out, with the buy-out. So those funds are fewer funds that are available now for the larger counties.

Mr. **BOWLDEN**. So Bannock County did not participate in the buy-out program?

Mrs. **ARVAS**. No, we are dedicating those funds to a project. However, if we had not pledged to do that for that community, then we probably would have been doing the buy-out, simply because there is not enough money to do the projects. I think that basically is what Bonneville County talked about.

Mr. **BURTENSHAW**. I think I will let Bill Manuel—he is our county engineer and I think he is better qualified to address that.

Mr. **MANUEL**. As Commissioner Burtenshaw said in his statement, we did benefit from the high standards required in the Federal aid, because this scared the small counties away and we were able to utilize their funds. The standards were not a problem for us, we could comply with them, but they did impose additional expenses on projects.

With the buy-out program, those funds have basically disappeared from us. We did participate in the buy-out as of this year, and we will continue in that. This does give us the opportunity of building the projects the way we see they need to be built to the standard that we feel meets our needs out there. We are much more effectively able to utilize the funds that did come in to Federal aid.

Mr. **BOWLDEN**. On those projects will you meet AASHTO's standards, or not?

Ms. **MANUEL**. Yes. We meet the AASHTO standard. We are able to comply with it.

Mr. **BOWLDEN**. Have any of you had experience with timber bridges on any of your road systems?

Mrs. **ARVAS**. We had one timber bridge, I believe two years ago, that had to be either torn down or repaired. We used county funds on that.

Mr. **BOWLDEN**. Is it still a timber bridge?

Mrs. **Arvas**. No, it is not a bridge. It was kind of funny. We thought we could save the bridge, and I said, well, this is one thing we can finally do for that end of the county, let's hold a public hearing, they will all come in and say they want the bridge, and we'll say okay, and we'll repair it.

The only people that showed up were a couple of people who lived on the other side of the bridge who were tired of the traffic and they didn't want the bridge there. So that put an end to that problem. But I know that there are a lot of timber bridges in the State that really need repair.

We are lucky right now, I think, it must have been in about 1980, prior to my going into office, we did use Federal matching funds and replaced two timber bridges. They are no longer timber. But I think that was our last timber bridge in the county, the one that is no longer there.

Mr. **Barker**. Last month on the National Association of Counties Transportation Steering Committee a discussion was held about timber bridges. Obviously, we have, as I said, 165,000 county bridges that are substandard. Many of those are timber bridges.

But it is very feasible, where timber is available, to build timber bridges today, that are perfectly satisfactory, very serviceable and cost-effective if they are done according to modern standards. Modern design standards for timber bridges do seem to allow that to be a cost-effective solution in many areas.

Mr. **Bowlden**. Can you do that through the Federal-aid program?

Mr. **Barker**. I'm not aware if you can or not. If it is not allowed, it should be, and provisions should be made for that. In our State, we don't have enough timber to really make that feasible. But in many parts of the East, that is a much more viable option that ought to be provided for and allowed in the design standards.

Mr. **Burtenshaw**. I'll let Bill, again, speak for us. He is a bridge inspector.

Mr. **Manuel**. Of the approximately 300 bridges we have in the county, there are six timber bridges left. Two of those are programmed for replacement. They are not being replaced because of structural deficiencies, but functional deficiencies, they are too small and inadequate for service. Many of our concrete and prestressed concrete bridges that we do have are placed on a timber pile abutments. These are servicing very well.

We do see timber as an alternative, although it does have limited use in our area, because we do have a concrete industry that is very economical, they give us very good competitive bids on it. But timber has served us well. One advantage we do have on the existing timber bridges is that they are very easy to rehabilitate or maintain by our crews. We are not forced to develop outside contracts for rehabilitation on them. We can do it in-house.

Ms. **Lauver**. I have a question for you on funding. We heard yesterday and certainly from all of you today that there is not enough money, probably at any level of government to do what needs to be done for highways and bridges. Do you have any suggestions as to where additional revenues should come from or how we can create support among your constituencies and the Senator's constituencies for spending money on transportation.

Mr. Barker. Yes. I know where a lot of money is sitting right now that could be utilized for transportation. It is in the trust fund. It simply needs to be released. That would be a substantial improvement, and would provide for some current needs. But I think another source of revenue is the existing user fees, and incremental adjustments in that user fee as time requires.

That will be impossible if that user fee is converted to a deficit reduction tool. All public confidence in a user fee will be lost. We can no longer call it a trust fund because there will be no trust. It will become simply a user fee collected and not for the purposes for which it was originally intended and originally accepted by the public.

The public has not been, in our State and I think in most States, upset by user fees when they can see the results being put into a program that is a priority, which transportation is in all of our constituencies. Keeping the money in the trust fund today is not really deficit reduction. It is simply moving numbers around, and number voodoo. It has nothing to do with reducing the deficit. That money can't be used for any other purpose, and we are just fooling ourselves and our constituents by leaving it there.

Ms. Lauver. Would the county support the revenue being increased at the Federal level or would you rather see it done at the State level, or both?

Mr. Barker. It has to be raised at both levels. We have had a balanced system in the past, where the States and the Federal Government have been able to call upon that user fee resource when the needs grew to the point that increases had to occur. By those increases being incremental and spread out over a number of years, the States and Federal Government could take turns increasing the fee when required.

Mrs. Arvas. I agree with Commissioner Barker straight on down the line. I think the trust fund should not be allowed to accumulate and should not be a reserve. I oppose the use of motor vehicle taxes to reduce the deficit.

In our State, we had an increase in the gas tax last year. We were able to reduce our road and bridge property tax levy because of the increase in dollars to our road and bridge fund that way. I think that's the way it should be. It should be a user fee.

Everyone says a gas tax is a very unpopular tax, and it might be, but when we have been able to show our constituents we were able to reduce their property taxes and make it more of a user fee, I think they have understood.

Mr. Burtenshaw. Certainly I agree with these other people here. I am fully in support of a users fee. Where I have a problem—like Val says, there is no sense in putting a user's fee on there and use the money for something else— let's use it where it belongs and for what it was intended. That's what a user fee is. Let's use it in the right place.

Mr. Bowlden. Have you, in the Idaho counties, had a favorable experience with State distribution of Federal-aid Secondary and Urban funds? I know that some of the smaller counties in the State we have heard from have been disappointed with their share of the fund or with the amount of the fund held at the State level. This question is somewhat—the import of it is reduced because of the buy-out program, I think, but I would like to continue to hear from some of the other counties.

Mrs. **Arvas**. I would like to respond to that. I had mentioned that we had pledged our money to go to a certain project. That project had been approved through the Federal-aid secondary plan. Then while waiting for it to come up on the list, to be prioritized, the game plan changed, and it was kicked out of the program.

I think the problem was at the State level, I don't know for sure, but that is why we have agreed to set aside those funds to complete that project. The engineering had already been paid for and the county had paid for that, we would have lost those funds. The State department of transportation has been helpful to us in trying to come up with an answer.

I think there were a half dozen of these that fell through the cracks somehow. We have been working together, pooling our money, trying to come up with other matching funds through all ways to get this project completed. But it was, I thought, a very bad way to handle it, it had already been approved, and it was being prioritized, and then the game plan changed, and it was bumped out. I think there have been some other projects like that, half a dozen in Idaho, that we are trying to salvage at this point.

Mr. **Burtenshaw**. I think that's where we've come from. We have had projects we started on, what we call A.M. Lincoln Road out here in 1983, we were supposed to move right on through it in two years or so, and it has been dropped from the system. It's not even in there. It's not there at all. And we were supposed to have had it completed by now. It's not even on the program now.

Our bridges, two of them kept getting dropped back. We had a bridge we were ready to go with last spring, and we were going to oil the road right there, and it got dropped back another year. It's now supposed to be this fall, I hope we don't get dropped back again on it.

Mr. **Bowlden**. How would the counties feel about a reauthorization program that establishes categorical funding for what some call highways of national significance, namely, Interstate highways and major arterial highways, and then pretty much flexible funding for other highways on the Federal-aid system, giving the States discretion to spend those monies basically as they see fit, making the project priority determinations?

Mr. **Barker**. Could I speak for the National Association of Counties Transportation Steering Committee? We are very uncomfortable at this point with the concept of highways of national significance that is being promoted by AASHTO. We may eventually buy off on some modified version of that, but at this point our concern is that that will simply be a program that would be designed or if not intended to result in, the allocation of money basically to State systems.

The urgent rural access and urban congestion needs that we talked about would simply go unmet, if not as much as now, possibly even more. If you will turn to page 10 of this Linking America book, I think you will see that there are many States that distribute zero FAS revenues to their counties. In the case of Utah and Idaho, it is spread 50/50. That's not in all areas.

If you go to page 23, and page 24, it gives a little more information that might be of interest to the committee, but we really feel that a system that is developed has to require local participation and local pass-through or in many States it simply won't happen. We cannot be flexible with all the decision making at the State level, in the opinion of the National Association of Counties.

Mrs. **ARVAS**. I think it needs to be Federal, State and local government. The three all need to be involved.

Mr. **BURTENSHAW**. That calls for a comment from us, too.

Mr. **MANUEL**. The only comment I have is that the Federal-aid Secondary Buy-Out system seems to have accomplished some of the things that we are talking about, inasmuch as the State has been willing to borrow State dollars to acquire our Federal-aid allocation. As a result, there is more money going into roadways, because we are now spending the State dollars at our level, and are making the decisions, and the State is spending the Federal aid.

I think the Federal-aid Buy-Out Program really is a multiplier of funding the way it is working here, and the States and the local agencies seem to be quite willing to participate in it. I think it is a good program.

Ms. **LAUVER**. Another proposal that has been made by some of the groups is to look at the matching ratios for the Federal-aid categories. Looking at a 60/40, 50/50 kind of ratio, compared to a 75/25, 80/20—how would that affect your projects, especially in the counties? Would you be able to come up with that kind of a match?

Mr. **MANUEL**. I will respond again. The Federal-aid Buy-Out basically does give us a 60/40 match inasmuch as we are able to get 60 percent of the Federal-aid allocation in actual dollars and then apply that towards a project. We are able to make that very effective as far as our construction because we are able to use our local standards rather than our State or Federal standards.

Ms. **LAUVER**. If it were a Federal-aid project, would that be different?

Mr. **MANUEL**. On many of our Federal-aid projects now, even with the 80/20 as a match, on some of our bridges, it is questionable whether we really are saving money or not. We are seriously looking at our Federal-aid bridge replacement program now, and feel that we can probably administer that program and build as many bridges equally as serviceable for the same money without the Federal aid at the higher matching level.

If it was to drop to 40/60, I think we would probably utilize even less Federal aid. There would be more and more people in the categories that we used to take advantage of, of not using it, and it is available to those who need it. In our case, it is marginal even at the existing matched levels. Anything less would make it almost unworkable for us.

Mrs. **ARVAS**. I would agree.

Mr. **BARKER**. So would I. I think the idea of evaluating the cost-effectiveness of accepting Federal money with strings attached—the requirements that are applied to it—is one we have to balance each time. It would work, however, if it were accompanied by a significant reduction of those design standards.

In other words, we could buy our way out of some of those requirements, even environmental and other kinds of requirements.

The Federal Government is able to require those kinds of things because it is basically buying that. If it were buying less, it should receive less, perhaps, that is some of the social causes that are the real reasons the strings that are attached.

Mr. **Bowlden**. Thank you all for coming. We appreciate it. The committee will recess until 1:30 p.m.

[Whereupon, the committee recessed, to reconvene at 1:30 p.m. the same day.]

AFTERNOON SESSION—1:40 P.M.

Senator **Symms**. The committee will please come to order. We are ready to start with Panel 3.

We welcome all of you here to the committee. Mr. Bill Smith, Chairman of the Local Highway Needs Assessment Council, also Bill is representing the Association of Idaho Cities, Mr. Chad Stanger, Public Works Director for the City of Idaho Falls, and Ron Binggeli, Public Transportation Director for the City of Pocatello. We are glad to have you here. Why don't we start off with you, Bill?

STATEMENT OF BILL SMITH, CHAIRMAN, LOCAL HIGHWAY NEEDS ASSESSMENT COUNCIL

Mr. **Smith**. Thank you, Senator. Members of the audience and staff, it is a privilege to be here. I am representing the Association of Idaho Cities today. I am one of their two representatives to the Local Highway Needs Assessment Council. This council was created in 1986 by the Idaho legislature and consists of two members from the counties, two members from the highway districts, and two representatives from the Federal Transportation Department.

We are charged with the task of studying the local roads in Idaho and measuring their needs and to assign a dollar cost to what it is going to take to bring those roads up to defined standards. In addition, the legislature has asked us to analyze the impact of Federal operation on Idaho's roads and to evaluate the economic impact of good roads in Idaho. That study is underway. It is going to cost over half a million dollar of State, local and Federal funds. The contract team of Wilbur Smith and Associates and Bell-Walker Engineers are doing the work.

We are well advanced on the study and we expect it to be finished in September of this year. We will shortly be setting the dates for releasing this study and its contents. The study itself involves setting a set of standards for each roadway classification that exists in Idaho and then developing a method of measuring the adequacy of those roads.

We recognize the value of Federal Highway Administration standards for new construction, but we also realize that the public is willing to accept a lesser standard with regard to maintenance. Certainly, if we are going to build, we are going to build to FHWA standards, but what we are going to measure to is less than those standards. We are not measuring against new construction.

The State has measured each of its miles. They know the condition of their roads and what it is going to take to bring them up to the various standards that have been set. The local roads in Idaho total over 28,000 miles. So rather than try to sample all of these 28,000 miles, we set up a method of sampling on a random basis that we felt and feel is going to be statistically reliable. This data collection is complete and now in a computer model. That model is running. We expect the first runs out of that model later this month.

The agreed upon unit costs of construction and costs of maintenance for these roads have been loaded into the computer and these will be used for each of the roadway classifications to price out the degree that the road departs from the various standards. We will arrive at the figure that it is going to cost to bring Idaho's roads up to various standards. We expect we will have multiple computer runs and have different dollars for different levels of service. We refer to some of these as tolerable limits rather than design standards.

We have gone through and evaluated the Federal vehicles that are operating on Idaho's roads. As we all know, they do not pay vehicle registration fees, nor do they pay gasoline tax. The question is, what is the impact of their operation on public roads? We will have those answers to this before the legislature later this fall.

We will also have in addition a model of the economic impact of highways in Idaho. This is an analysis of the value of good roads to this State. What this study does, is to relate in terms of jobs, gross income, wages, what good roads mean to the State. All of this information will be available later this fall, and we expect to have it released well before the first of the year.

We have learned from this study that 33 percent of all the highway user funds spent in Idaho come from the Federal Highway Administration. Fifty-one percent of the highway revenues come from highway users fee, and 16 percent of the revenues are derived locally, primarily from property taxes and local fees.

Our study looks at all of the revenue sources available, including those not currently used in Idaho. So we will offer a whole array of revenue sources to the legislature, and forecast what variations of these combinations would produce.

This study will give the legislature a much better tool to evaluate the highway taxing effort in Idaho, and it is terribly important that we get a handle on that, we need to know what our tax efforts are, and of adjudicating the distribution of funds in Idaho. Obviously this is a major question internally in the State.

We will also be able to tell the legislature how we stand with respect to our neighboring States.

There is not any conceivable way that Idaho can make up the shortfall that would occur without Federal highway funding. That needs to be abundantly clear. We cannot function with what we have, we cannot maintain what we have without Federal help. We do recognize that we are a bridge State and that thousands of motorists cross Idaho each day as they travel to their destination. That concept has got to be communicated to our cousins and neighbors to the East, that those of us in the West do function as bridge states, and there is a national need to have us continue to function in that manner.

We recognize that we receive more FHWA dollars back for construction than our citizens pay in, that's a given. I believe, Senator, I heard you say two to one.

Senator SYMMS. It's not quite that high, but it's close. Probably three.

Mr. SMITH. Yes. And this is continuing. And it has to. Because if Idaho were given the choice of building the Interstate that is currently being constructed through Wallace and Kellogg at an enormous expense, if that were our expense, we would not do it. That road is being built to serve a national interest, not a local interest, not a State interest. We would have different priorities for that type of funding.

So we have to communicate this bridge State theory.

The other thing that is terribly important to western States, and certainly in Idaho, is the Federal land ownership issue. Two-thirds of Idaho is publicly held. Few of the PILT dollars make it onto our roads and highways for maintenance. We are aware that the Forest Service and the BLM are maintaining public roads for public access within their land ownership. We do not mean to demean their efforts at all by what we are saying and doing. They are carrying a tremendous load as far as recreational access and public use of our forests. Yet, the locals provide the access from those public land holdings in large part to highways.

To use an analogy I heard earlier—I'm stealing this, it is not original—in general, the highways, the main State and Federal routes go down the valleys. The public land ownerships are on the hills down inside of the valleys. In between that major highway down the valley all those public holdings are all the local roads. Almost inevitably, to access these vast public holdings, local roads have to be used.

Specific recommendations—first there has to be a new Federal program. I realize there is some thought that we can get along without it, and that the gasoline taxes could be used in a different manner. I certainly don't subscribe to that thought at all.

The new Federal program should continue the 4R program for Interstate Systems and primary systems. We built these roads, the Interstate Systems, 97 cents on the dollar. There is no way we can afford to maintain them without Federal help. This new program should also continue the bridge replacement and repair program. It is a must—we have got to do it. We have to repair and replace those bridges. All the western bridge States—I'm talking about Wyoming, Montana, Idaho, Utah, Nevada, to some extent Arizona and New Mexico—will be in serious trouble without Federal highway funds for major repairs.

Continued Federal funding will be necessary in rural America for our system of farm to market roads. I am sure you are going to hear a lot about the fact that if the rural American farmer is going to be a real asset in our balance of trade deficit, if we are going to get our natural resources out of the woods in the form of trees and logs and ship them, if we are going to mine, we have to get all of these farm products and natural resources to market. That takes a system of farm to market roads.

There should be a continued strong role for the Federal Government in research and technology and in the sharing of that technology. It is terribly important that there be a coordinated effort to communicate new techniques, additional knowledge out to the locals, particularly in the field doing the work. The Federal Government has a role in that.

There has to be a continued strong Federal role in planning and promoting and implementing highway safety. It comes home to you very quickly when you get into a foreign country, how much we rely on a national plan for stop signs, as far as size, color and shape, traffic lights, as to where they are located and what they mean, signing striping and configuration. That has to be maintained as a national standard.

Finally, the Federal Government has a proper role in promoting and developing alternative fuels for motor vehicles. This is something we need to pursue.

Senator SYMMS. Thank you very much. We all appreciate your testimony.

Chad.

STATEMENT OF CHAD STANGER, PUBLIC WORKS DIRECTOR, CITY OF IDAHO FALLS, ID

Mr. STANGER. Thank you, Senator. On behalf of the Honorable Mayor Tom Campbell and the City Council for the City of Idaho Falls, we want to express our appreciation for the invitation that was extended to testify today.

We recognize that the job that you have in allocating the funding is more complex that just our problems, and we recognize that and want to admit that up front. But we want to address some issues that we think are of concern to us. We don't see that our concerns are all that unlike many other smaller urban centers that are located in rural areas. We understand the demand that is on your funding. We find that there is not nearly enough funding to sufficiently meet the growing demands to improve our arterial street system. We think that arterial street system is an integral part of the overall transportation system in this country, and we particularly think it is important in these rural areas, where the economy is dependent upon agricultural products transportation and so forth from the rural areas into the urban centers. We are hopeful that additional funds can be allocated to the cities and States as the Interstate reaches its completion. We believe the tax-exempt status on gasohol and ethanol products should be reevaluated. We don't know that it should be eliminated, but there is large source of revenue there that maybe it's possible now that we should be tapping. That should be evaluated as part of this program.

Lastly, we would like to ask that the Federal design standards and environmental requirements be reviewed. We are not asking that they be changed, but that they be reviewed. In some circumstances, they appear to be too restrictive when applied to certain urban situations. We are talking about existing roadways that are rehabilitated, and so forth. The environmental assessments—we knock our heads up against that occasionally. We think that they might need some review.

My remarks, again, are very brief, but we think those are issues that are of concern to several cities particularly in the western United States and we would like you to look at those.

Senator **Symms**. Thank you very much. We appreciate your testimony.

I might just say for the audience Ron Binggeli is our one witness who represents public transportation. We appreciate your being here.

Ron.

STATEMENT OF RONALD D. BINGGELI, PUBLIC TRANSPORTATION DIRECTOR, CITY OF POCATELLO, ID

Mr. **Binggeli**. Thank you, Senator Symms. I appreciate the fact that the gentleman from Salt Lake alluded to transit, that needs exist, I was glad to hear that. I believe the U.S. DOT representative alluded to us. Otherwise, I would have felt that I really came from the wrong place.

Senator **Symms**. I should have mentioned it when he was here, but we got some important consideration from DOT on the bus lanes over in the capital city, Boise, and I think many of you in the audience did, but the Secretary and others worked on that. We were really pleased that they finally saw the light of common sense, which they actually accepted. They thought it made sense, what Boise was asking for, and I think it made sense.

Mr. **Binggeli**. Yes. It was a good move. It certainly made the public feel better about their tax dollars.

Senator Symms, the City of Pocatello Public Transportation Department appreciates the opportunity to come before the field hearing for the purpose of providing testimony and this statement expressing our views on public transit from the small operator's perspective.

In preparation for this opportunity to come before the Subcommittee, we consulted with a number of our transit colleagues in Idaho in order to provide useful information for the Subcommittee in the area of regulations and funding. Idaho has a total of six transit systems operating in rural or small urbanized areas under 50,000 population and two systems in urbanized areas over 50,000 and probably one more, Idaho Falls, soon to be over 50,000. Additionally there are approximately 65 active senior citizen and handicapped 16B2 vans operating in approximately 50 communities throughout Idaho.

These systems and programs will carry an estimated 1.9 million passenger boardings estimated for the current calendar year. Idaho's systems receive funding for their operations through a potpourri of sources. The senior citizen van operations receive some limited operating assistance through title 3(b) and capital assistance to aid in the purchase of vans through the 16B2 program.

The rural and small city programs are primarily funded through the section 18 program administered by UMTA and coordinated through the Idaho Transportation Department, with additional revenues secured from local fares, donations, and in some cases, when they are fortunate, from cities and counties.

Finally, the two urbanized systems operate with assistance from the section 9 formula grants administered by UMTA as well as fares, donations, and local tax assistance.

In every case, the funding situation ranges from substantially inadequate to tenuous.

Boise has a program currently in place wherein it will take 32 years to replace its bus fleet. The problem? The level of Federal funding for capital bus replacements. The State of Idaho is administering the Section 18 programs throughout the State.

A great number of the capital bus and van replacements which occur, when they occur, have to be assisted through 16B2. The problem? The level of section 18 funding available for Statewide purposes is hardly adequate for operations, let alone capital.

Pocatello in the next five years will want to build a transit facility. The likely problem? A choice to be made between fleet adequacy and facilities because section 9 is limited.

Where do we go in this climate of huge deficits and a section 9 program that has decreased dramatically in real terms since 1981? APTA will love this. We suggest the expansion and blending of some, if not all, of the section 3 mass transit account to the formula approach. Some of this has been done in a very small way.

This recommendation is based on the assumption that the Section 9 formula dollars should not be reduced from the current level but that additional capital funds be added through the mechanism of the mass transportation account.

Currently, the bus and bus-related component of section 3 is too small. Only 10 percent of the total of the section 3 account is available for these purposes and then only for extraordinary and onetime capital needs. It is clear that there is an inequity when we observe that 85 to 90 percent of the capital available in this program that is funded through the user tax is available only for rail modernization and grants for construction of new fixed guideway transit systems and expansion of the older ones.

In the three-year period ending in 1987, nine States received 81 percent of the section 3 grants. These States paid 31 percent user fees. This means that the other 41 States paid 64 percent of the user fees and received little to nothing for bus or bus related capital needs or for facilities construction.

Something on the order blending with a minimum allocation would seem to be in order.

Mr. Chairman, the conclusion of our testimony for the Subcommittee is that public transportation is a vital issue for small cities under 200,000 population, as well as for the small urban and rural areas of Idaho. It is vital economically, socially and in a number of areas we did not address in our statement, including clean air and traffic management.

By way of conclusion, we would touch upon a few points that were developed in our written statement. We need a constant policy at the national level that does recognize that public transportation, urban and rural, is a national, not just a local, issue and asset.

We recommend, as this Subcommittee provides input to and oversight for the Federal aspect of these programs, that the Subcommittee be aware that the treatment of small systems and small cities as opposed to great urban properties will necessarily have to be different.

We discourage a "one size fits all" policy. We encourage a close look at the possibility of utilization of the mass transit account, section 3, for the benefit of all systems large and small by incorporating it into the formula grant program.

We endorse a closer scrutiny of the rigors and cost burdens of the drug testing regulations now being put into place as they apply to section 18 and section 9 programs.

We support the continued management of the section 9 programs by UMTA. We encourage the Subcommittee's support for the continuance, insofar as possible, of the current levels of funding for section 9, section 18, and 16B2.

And we request that there be no diminution of the Federal commitment to, or share of, the capital costs of the bus and bus replacement activities or transit facilities.

Thank you.

Senator SYMMS. Thank you very much. I agree with you about the cities with less than 200,000. I have supported that. I think that the smaller rural areas is one area where they are not getting their fair share of the distribution formula, there is no question about that.

Mr. BINGGELI. We're locked out, basically.

Senator SYMMS. We have a major problem with three or four big States that have been able to block any legislation to correct it. We have had a fair distribution formula, that I think if we could ever get a clear vote on it, that it could carry or at least partially carry, in the Senate—the House might be a little more difficult—but it is difficult to get it done because then they block the other aspects of the bill that we wanted. That's the politics of it, the filibusters, over this very issue. When President Reagan made his compromise, he agreed for one cent to go into transit the urban States really had the advantage on that at the expense of all the rest of the States in the country—New York is one of the primary ones that gets a big share of the money, and the New Jersey Transit Authority.

You all talked about each of the regulations, and just a general assessment. I guess you generally agree with what the county people and some of the State people were talking about on that. Is that correct?

Mr. SMITH. I'm not familiar with that.

Senator SYMMS. Bill, I am interested in your study, when did you say you would have that done?

Mr. SMITH. This fall.

Senator SYMMS. I would be interested in getting a copy of that when you get it completed.

Mr. SMITH. I would be pleased to send it.

Senator SYMMS. I want to thank all of you very much for your contribution to the record. We will take it under advisement.

Panel 4—we now call on Mr. John Sessions, Chairman of the Idaho House Transportation and Defense Committee, Mr. Benton Clary, Assistant Superintendent of Yellowstone Park, Mr. John Lupis, Director of Engineering, Intermountain Region, Forest Service, and Mr. Duane Thompson, Superintendent, Fort Hall Agency, Bureau of Indian Affairs, U.S. Department of the Interior.

Gentlemen, welcome to the committee. We have your statements, and as I said earlier, and will repeat, your statements will be included in full in the record so please try to keep your oral statements to five minutes. I think most people have done pretty well. We are on schedule, so we're doing fine.

So, Mr. Chairman, we will let you do the honors. I might just say to the audience that I have appreciated your help and guidance from the State's perspective on some of these things. You have been very helpful to me and my staff and we hope that we can continue to work with you.

STATEMENT OF JOHN O. SESSIONS, CHAIRMAN, TRANSPORTATION AND DEFENSE COMMITTEE, IDAHO HOUSE OF REPRESENTATIVES

Mr. SESSIONS. Thank you, Senator. I would like to express my personal appreciation to you on behalf of the people of Idaho for the many things that you have done in your position in the U.S. Senate, reflecting back on what I recall of several demonstration projects that you were successful in getting additional funding for.

Senator SYMMS. But we've done so well at it, John, now everybody wants the same. I'm sure you remember that Clear Springs Summit, over in Buhl.

Mr. SESSIONS. Yes.

Senator SYMMS. They want a demonstration project over there, and I don't think you were here this morning.

Mr. SESSIONS. No.

Senator SYMMS. I had dinner with the Governor last night and he was leaning on me about it also. He said "You've done it all over the rest of the State, why can't you do it here?" I said, "well, it's getting harder and harder. I can't make any promises." But we had an incredibly bloody fight over demonstration projects. It has been abused by some members of the House, never abused in Idaho, of course, they were all worthy here. But go right ahead.

Mr. SESSIONS. Senator, I was referring specifically to the demonstration project in Highway 26, the Squaw Valley area. That's a very significant asset.

One other thing I want to mention before I start my formal testimony is that your assistance in getting the distribution formula of highway trust funds adjusted in order that we, as a State with 66 percent of our land owned by the Federal Government, do get an increase in our funding allocation. It is through your efforts that we were successful in getting our additional revenue.

Senator SYMMS. I should have had you be the first witness while the T.V. was here. Go right ahead, I'm sorry.

Mr. SESSIONS. Well, thank you.

Senator, in two decades of service in the Idaho legislature it has become most apparent to me that adequate funding for highways is essential because our transportation system is at the very foundation of Idaho's and the Nation's economy.

With the completion of the Interstate, Congress has significantly changed the way that commodities and products are shipped in this

Nation. The Interstate System has, in my opinion, been one of the major forces in the growth of the gross national product. Accordingly, the State and local highways that access the Interstate or provide cross connection between Interstate routes have become as important to the national economy as is the Interstate itself.

It is in the national economic interest that the Federal Highway Trust Fund should be continued and that highway user funds should not be diverted for deficit reduction purposes. Deficit reduction is an overwhelming issue of importance but it does not seem prudent to try to heat the house by burning the transportation roof that shelters our economy.

As chairman of the Multi-State Highway Transportation Agreement committee which is authorized by State statutes in ten western States, I can assure that opposition to diversion of highway user revenues is for deficit reduction is very high among the western State legislators. It seems appropriate to strongly address the preservation of highway user revenue for transportation purposes in the next Surface Transportation Act.

From a State legislator perspective, the diversion of Federal highway user revenues for deficit reduction would violate the public expectation that highway user revenues be used exclusively for transportation capital improvements and would impact citizen opinion as a major tax increase. The erosion of public support would, in my opinion, as chairman of the Idaho House Transportation and Defense Committee, make it very difficult, if not impossible, to pass any increase in State highway user fees or taxes for many years to come, if this deficit reduction transfer that is presently being talked about is permitted to become a reality.

Approximately one-third of the vehicle miles traveled on Idaho's roads is attributable to non-resident travel. Large Federal land areas with extensive mountain ranges and other geographical barriers tend to increase the mileage of highways needed for commerce and geographic access. Considering these factors, it seems reasonable that the Federal-Aid apportionment formula should contain a factor that responds to the situation of States with large areas of Federal lands coupled with low population and relatively large highway mileage.

I support the Idaho Transportation Board's proposal for a national highway Federal-Aid program and a flexible Federal-Aid program to help fund State and local roads and bridges. Funding for the two programs should be equal and changing the role of the Federal Highway Administration to that of an audit function in the flexible program would increase the efficiency and productivity of Federal dollars. A flexible program would also solve the problems of the existing categorical approach to funding which frequently results in Federal aid being available only for less needed projects, when high priority projects as prioritized by the Transportation Board, must be delayed for several years.

The Federal-Aid matching ratios are an important consideration because matching ratios that have a Federal amount lower than 90 percent will reduce the miles of 3R highway projects constructed. I recommend that a ratio of 90 percent Federal funds and 10 percent matching funds should be applied to all highway Federal-aid projects. This will free State and local funds that can be used to construct more miles of highway widening and repaving projects than can be accomplished with Federal aid.

I am concerned with highway safety, but I am also concerned with when the State transportation department is overruled by the Federal Highway Administration and alterations to recently construction guardrail must be made at the expense of providing more miles of resurfaced highway. Considering that the State is responsible for tort liability, I support the concept that the State transportation department should have full autonomy of engineering and design standards decision making in the flexible program.

Bridges in rural and urban areas are of great concern. The current bridge funding apportionment is flawed by being based on the dollar amount of bridge needs. In many cases, the costs of a bridge has little relationship to the cost of interruption of commerce, yet bridge cost is the determining factor in bridge funding apportionment. I support the proposal that categorical bridge funding should be eliminated. If Congress decides to retain categorical bridge funding, there should be a minimum apportionment that funds a reasonable size of bridge programs in each State.

If alternative fuels are mandated in critical air quality areas, the Federal tax exemption for alternative fuels should be eliminated. If alternative fuel tax exemptions are continued, they should be restricted to fuels produced in the United States, with clear provisions that eliminate blending from construed as fuel production.

Thank you, Mr. Chairman, for this opportunity to testify.

Senator SYMMS. Thank you, John for an excellent statement.

Mr. Clary.

STATEMENT OF BENTON CLARY, ASSISTANT SUPERINTENDENT, YELLOWSTONE NATIONAL PARK

Mr. CLARY. Thank you, Senator.

I appreciate this opportunity to appear before you today to provide National Park Service input into the discussion of the reauthorization of the Federal-Aid Highway Program, pursuant to the Surface Transportation Assistance Act of 1982.

Before delving into my testimony, I should point out that neither the Department nor the Administration has yet taken an official position on the reauthorization of this program. Therefore, my testimony will be of an information nature only. An Administration position will be contained in the Department's report to the full committee on a bill designed to accomplish the reauthorization, should such a request be made. The Department is currently reviewing the backlog of potential Federal Highway projects in all bureaus.

The National Park System includes approximately 7,975 miles of roads and in excess of 1,400 bridges and tunnel structures. This represents a capital investment valued in excess of $20 billion. Under the most recently published Federal Highway Administration inspection and inventory system, 21 percent of the roads were rated in good condition, 29 percent were rated fair, and 50 percent were rated poor.

Since 1983, major repairs and rehabilitation of park roads have been funded under the Federal Lands Highway Program. Congress originally authorized the National Park Service program at a level of $100 million annually, beginning in fiscal year 1983, but reduced that authorization to $60 million beginning in fiscal year 1987 and running through fiscal year 1991. This represents a substantial investment in our park road system, approximately $700 million. The Federal Highway Administration's current estimate to bring the Service's roads up to a condition where they can be economically handled with routine maintenance is in excess of $1.4 billion. Future funding requirements to meet construction and maintenance needs will be addressed in the course of the fiscal year 1991 budget process.

Recreational travel, much of it with destinations in our national parks, constitutes a very high percentage of American and international use of the Nation's highway network. In 1988, park areas within the Rocky Mountain Region of the National Park System received approximately 29 million visitors. Over 97 percent of those visitors came by automobile, recreational vehicle, or bus. The Rocky Mountain Region has over 2,670 miles of road and related structures to maintain to meet the travel needs of these visitors.

In recent years, roads within the Rocky Mountain Region have deteriorated. This deterioration is due in large part to the increased traffic and the advanced age of many of the roads. Much of this road network exceeds 30 years and has reached or exceeded its life expectancy.

The Rocky Mountain Region has worked closely with the Federal Highway Administration to identify high priority road reconstruction projects. The Region's current identified backlog to reconstruct those roads listed in poor condition in the Rocky Mountain Region is $299 million and to upgrade those listed in fair condition is $111 million.

A major priority of the Rocky Mountain Region is to prevent further deterioration and potential loss of existing roads and structures. Additionally, our priorities are to prevent potential resource damage to the parks due to a substandard road system and provide a safe road environment for park visitors.

Yellowstone National Park has a significant share of the roads within the Region requiring some degree of rehabilitation. We are responsible for maintaining approximately 650 miles of road within the Park, and on the adjacent portion of U.S. Highway 212, the Beartooth Highway. Over 350 miles are located in areas that are travelled by 2.5 million visitors that come to Yellowstone annually. Most of these roads were constructed over wagon trails that have slowly evolved into corridors for the heavier volume and weight of today's traffic. Since the subsurface of these roads was never intended for this traffic, the roads have continued to deteriorate.

In 1987, Yellowstone National Park began the first phase of reconstruction of park roads. A contract was awarded for 8.6 miles of road between Old Faithful and West Thumb. In 1989, a contract for the second half of this road was awarded.

Mr. Chairman, I thank you for the opportunity to provide testimony at this hearing today. I will be pleased to answer any questions you might have.

Senator SYMMS. Thank you very much, Mr. Clary, we appreciate it.

Mr. John Lupis.

STATEMENT OF JOHN V. LUPIS, DIRECTOR OF ENGINEERING, INTERMOUNTAIN REGION, U.S. FOREST SERVICE

Mr. LUPIS. Thank you, Mr. Chairman. We appreciate this opportunity to share the Department of Agriculture's views concerning transportation needs with you here today.

The National Forest System contains 191 million acres of forest and range land in 45 States. In 1988, these lands provided more than 242 million visitor days of recreation use, more than double that provided by any other agency. National forests are the primary source of high-quality water for vast areas of the country, particularly in the West. They are the home for over 50 percent of the big game animals and freshwater fish in this country.

National forests are a major source of commercial timber with over 11 billion board feet harvested annually, supplying about 25 percent of the wood products used in the United States. They also provide almost 10 million animal months of grazing, and generated 181 million dollars of revenue from minerals, oil and gas.

Total National Forest System revenues were more than $1.5 billion in 1988. The natural resources of these lands are among the Nation's greatest assets. They affect the economic, environmental, recreational and social well-being of all Americans. Demographic, economic and social trends indicate that the demand for public land and water resources is increasing at a rapid pace. More people are pursuing a wide range of activities on public lands than ever before. Most Americans live within one day's drive of a National Forest.

Over 95 percent of all these activities depend on roads. Road management and development is an integral part of managing National forest lands. As a way of providing some background on the level and magnitude of the Forest Service's interest in this geographical area, we would like to share some information about current and future programs within the State of Idaho. There are ten National Forests headquartered in Idaho. National Forest System land totals about 20.5 million acres and is 38 percent of the land area of Idaho. Thirty-five of 44 counties in Idaho contain National Forest System Lands.

National Forests within Idaho contribute a wide variety of resources include 24 million Recreation Visitor Days, one million Animal Unit Months of grazing and 860 million board feet of timber.

Activities in the National Forests provide a major contribution to Idaho's economy. The continued flow of goods and services from our National Forest System lands can only be obtained by building and maintaining an effective transportation system.

We believe an effective transportation system consisting of State highways, county roads, and Forest Development Roads is essential in helping the Forest Service protect, utilize and administer National Forest System lands and resources.

The public road system which consists of State and county roads provides mobility to get Forest users from their homes to the Forest, and links Forest resources to manufacturing and milling sites. Public roads serve all segments of society, and are funded by the Highway Trust Fund, and State and local taxes. Forest Development Roads, on the other hand, are roads administered by the Forest Service for the protection, utilization and administration of National Forest lands and resources.

Growth in National Forest traffic demand will continue to occur as the population increases and people have more leisure time. Current trends show a shift in age distribution to a mature, more affluent user, with more time to participate in outdoor recreation. The Forest is already experiencing greater numbers of larger recreation vehicles driven by people who often lack the experience to fully cope with mountainous driving conditions. These Forest users are expecting more comfort and convenience from both the public and Forest Development road system.

A major portion of the public roads and Forest Development roads are already in existence. These roads are being maintained and reconstructed. But the current rate of improvement is not keeping pace with the deterioration or anticipated traffic demand. Such features as surface condition, width, alignment and grade are frequently inadequate even for current traffic needs.

Two Federal Lands Highway Programs currently provide funding for construction and reconstruction of State and county roads important to the Forest Service. These are the Forest Highway program and the Public Lands Highway program. Forest Highways are public roads that serve National Forest lands and their renewable resources, while Public Lands Highways are Federal-aid System roads that pass through Federal lands.

Combined, the Forest Highway and Public Lands highway funds make a significant contribution to improving public roads important to the management and use of the National Forest. We strongly support the continuance of these important programs, as they now exist.

Another critical program to us is the Emergency Relief Program for Federally Owned Roads. Because the 191 million acres of National Forest Lands are scattered from Alaska to Puerto Rico, our 355,000-mile road system, along with the 25,000 miles of Forest Highways, is particularly vulnerable to damage. Each year, a major event of some kind occurs somewhere on National Forest land. This program permits immediate repair without disrupting ongoing Agency programs. Serious natural resource program shortfalls would occur without this vital program.

In summary, our National Forest System Lands will continue to provide goods and services to our forest users, but this is only possible with an effective transportation system. This requires a continuing commitment to all segments of the rural road system, including Forest Development Roads, County roads, and State Highways.

Thank you.

Senator SYMMS. Thank you very much for that excellent statement. We appreciate having that for the record.

Mr. Thompson, welcome to the committee.

STATEMENT OF DUANE F. THOMPSON, SUPERINTENDENT, FORT HALL AGENCY, BUREAU OF INDIAN AFFAIRS

Mr. THOMPSON. Mr. Chairman, I appreciate the opportunity to appear before you today to discuss the reauthorization of the Federal-Aid Highway Program pursuant to the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Before presenting my testimony, Mr. Chairman, I should point out that neither the Department nor the Administration has taken an official position on reauthorization of this program. The Administration's position will be influenced by the National Transportation Policy now being developed by the Department of Transportation. Therefore, my testimony will be of an informational nature.

It sounds as if Mr. Clary and myself had the same writer.

The Division of Transportation for the Bureau of Indian Affairs is responsible for the management and coordination of transportation programs serving Indian reservations. The Division has direct responsibility for some 21,000 miles of public roads that the BIA maintains, and for the construction and reconstruction of those roads. The BIA coordinates this program with those of the States and counties, who have another 28,000 miles of Indian public roads, and with non-road Indian transportation programs.

The non-road programs include bus transit systems, driver education in the schools, enforcement of traffic codes, impaired driver programs, accident reporting and statistics, airport construction and maintenance, railroad short lines and spurs, low volume road research and technology implementation.

Coordination of the BIA programs with other transportation programs is accomplished through participation in industry and professional organizations, advice and technical assistance to Indian tribal governments, inter-governmental agreements and policy recommendations to the Office of the Secretary of the Interior.

The BIA is committed to providing safe and accessible roads on Indian lands to aid in the educational, social, and economic developments of Indians. Funding is provided through annual appropriations for roads maintenance and road sealing. Approximately $30 million was requested to support these activities in fiscal year 1990. In addition, $80 million in contract authority is provided through the Highway Trust Fund of the Federal-Aid Highway Program for road construction.

I thank you, Mr. Chairman.

Senator SYMMS. Thank you very much. Thank you very much for the fact sheet. I was interested in the fact that the BIA has 21,000 miles of roads.

Mr. THOMPSON. Yes, sir.

Senator SYMMS. And how many did you say in the Park Service?

Mr. CLARY. Close to 8,000.

Senator SYMMS. How about the Forest Service?

Mr. LUPIS. We have 355,000.

Senator SYMMS. So we have a lot of road represented here.

I can tell you one thing, my senior colleague is not happy with the recent vote that took place in the Senate with respect to forest roads in the appropriations process. He has fought long and hard to try through the appropriations process, to show the importance of roads that afford access to these large tracts of federally-owned land, whether it's Forest Service land, or BLM land, or Indian land, or whatever it is; I still believe, and always will, that if you are going to manage those lands, you have to have access to them. You can't run a farm and grow potatoes or corn or peaches if you can't get around the field. That's basically what's happened in the national forests. They have used road building prevention as a method to prevent the full utilization of the recreational values and resource values on these lands, not to mention roads needed to fight fires. I think it's unfortunate that we have had such a struggle and a fight. But I guess that privately-owned States have a hard time finding sympathy for those of us that come from publicly-owned States.

There is one question I want to ask, and I'm not going to keep you all here very long, but the Forest Service has a scenic highway program, and it recently opened its first scenic highway in Idaho, in the Targhee National Forest. The reason I mention this is that Senator Rockefeller has a national scenic highway study bill. He wants to promote national scenic highways. We have a lot of national scenic highways in Idaho and a lot of other States have them likewise. Should the Park Service be looking at that, trying to open some scenic roads? Or do you consider that they all already are?

Mr. CLARY. Well, within the Park, we do have some that are. But there have been proposals in the past, for example, the Beartooth Highway that the Park service maintains has been proposed as a scenic highway. Yes, I think there are areas where scenic highways are appropriate.

Senator SYMMS. Maybe I should ask you all. Do you think it is necessary that the Federal Highway Administration try to develop this through legislative action? I can tell you I have watched this happen in Washington. First you have a study, then you end up with a bill, and then you end up with a bunch of regulations and requirements. I don't remember the numbers but there are a lot of designated scenic highways, almost in every State. Do you believe that the Congress should be pursuing an expansion of scenic highway programs from a Federal standpoint or just go ahead and let the States do what they have been doing, which is working rather well? Do any of you have an opinion on that?

Mr. SESSIONS. Senator, I think the States are quite capable of taking care of those matters. In our legislature about three years, we authorized and directed the Idaho Travel Council to designate certain areas of scenic interest. Then we authorized the Transportation Department to develop the signings for those areas. It has worked very well. It has been a real plus for those areas such as Shoshone Falls, areas like that. I think within the States this is a matter that can certainly be handled within the States.

Senator SYMMS. I'm glad to hear you say that. I think so myself. But boy, I'll tell you, I was a lone ranger on the committee. I think all it needs is to have the roll called from the way I counted the vote and they would have another program. And that's just what I have heard testimony on all morning, to let this thing run its course without additional intervention. That's what you're saying, do it now?

Mr. SESSIONS. The State can do it.

Senator SYMMS. How about the conflict in the Forest Service or in the Park Service or on the reservations? Who has jurisdiction over the Federal roads? The Federal Highway Administration or the land managing agency? Does that present any problem? Who has authority, the Federal Highway Administration? What is the situation in the Forest highway system?

Mr. LUPIS. On the Forest Highway system, the public road agency has jurisdiction on those roads. After a road is constructed under that program, the agreement is that one of the public road agencies (be it the county or State), would have jurisdiction and maintenance responsibility.

Senator SYMMS. Do you recommend that they stay like that?

Mr. LUPIS. Yes, either the county or State should have jurisdiction on Forest Highways. The Federal Highway Administration is involved only in the construction of these roads and does not have any jurisdiction. Of course, the Forest Service has jurisdiction of its Forest Development Roads.

Senator SYMMS. Do you recommend that it stays the way it is? Do all of you agree with that?

Okay. Thank you all very much.

Next, we have Panel 5, Mr. Bob Corbell, Chapter Manager of the Idaho Associated General Contractors, Mr. Jim Anderson, Member of the Minnesota Associated Builders and Contractors, and Mr. Sam Bennion, V-1 Propane, Idaho Falls.

Well, Bob, we'll let you lead off here, all right?

STATEMENT OF BOB CORBELL, EXECUTIVE DIRECTOR OF THE IDAHO BRANCH OF THE ASSOCIATED GENERAL CONTRACTORS

Mr. CORBELL. Thank you, Mr. Chairman. I am the Executive Director of the Idaho Branch of the Associated General Contractors of America. I also serve as the Vice-Chairman of the Idaho Users Conference, which I believe testified to you yesterday in Twin Falls.

The AGC is the professional association of contractors, 92,000 strong nationally and better than 400 in the State of Idaho, engaged in all facets of construction, building utility, heavy highway and engineering contractors.

Members of the AGC are required to have been in business at least two years and have a reputation of skill, responsibility and integrity. A majority of the highway contractors, both in the State and nationally, are members of the AGC.

As many people have testified prior to this, highways will be the major source of movement for people and goods in our Nation and our State for many years in the future. Our State is more dependent on highway transportation than other States due to our mountainous regions and weather. Our economic life depends on road transportation to serve our forest, farming and tourist industries as well as the general population.

Continuation of highway transportation funding is vital to Idaho. It is also vital to the Nation's defense needs. Having spent 30 years in that particular sector, I can vouch for the requirements that the military might have for the transportation system. It is also quite vital to our Nation's work force.

Roads constructed during the past years of the Surface Transportation Act are in need of repairs, widening to accommodate increased traffic and populations, modifications to enhance general safety, and other roads upgraded to Interstate or multi-lane primaries connecting Interstates.

Interstates in our section of the country serve east/west transportation needs, but connecting north/south routes are also needed. Immediate Idaho needs are U.S. 95, U.S. 12, Highway 55 and U.S. 20. These are needs of yesterday and today, not some future time when a new source of funding can be generated.

Aside from transportation, road construction employs a direct work force of 43 workers per million dollars of construction. Wages to construction workers have a 3½ time multiplier. The only multiplier in the national work force that exceeds that is the military.

Construction is a major contributor to the economic life of the Nation and Idaho.

Local needs cannot be met from local tax base alone, nor are roads used only by locals in our highly mobile society. The highway trust fund must provide a portion of the funds needed to upgrade local streets, roads and bridges. My association supports funding local projects on a share of the cost bases by local governments.

Any Federal-aid project must be accomplished by a competitive bid process in order to put the most money on the road.

The new bill must allow flexibility in a large portion of the funds allocated to the States. State transportation departments need to be able to utilize funds for immediate needs generated by unforeseen problems of population shifts, increased traffic based on tourism fads, changes in trucking routes and loads, and early wearout of either State supported roads or Interstates.

The level of funds being accumulated by the Highway Trust Fund, if allocated to the maximum extent of receipts, might serve current needs of the entire system. I can see no advantage in a holdback of funds.

Current donor-donee formulas need to remain near the same. A drive on Idaho Highway 55 or 21 will identify a large number of other than Idaho registered vehicles. Smaller States size allows some drivers to transit the State via the State system and not buy fuels in the State. Roads need to be of equal construction and repair to serve defense needs as well as the driving public.

Renewal of the highway funding legislation will contribute to a network of roads that can support the rural economies. Railroads to urban and rural areas are no longer cost-effective. Roads must continue to provide access to main railheads for forest and farm products. Highways on Federal lands must provide access to a Nation of tourists. As Federal lands do not support State tax bases, Federal highway funding through the fund will allow adequate roads and maintenance of infrastructure.

Continued use of highway funding in support of development of alternative fuels has reduced needed repair and expansion of the highway system. If there is a need, and the need at present is doubtful, credits to corporation taxes would better serve the highway accounts.

We urge a "stand alone" highway trust divorced from the Federal budget and the Federal debt. Holding the highway funds hostage to the debt and bridges is cheating the taxpaying public. The roads, for which the public is paying, are not being provided when the funds are withheld.

My next comment on the mass transit refers to a lot of the demonstration projects in the East, access to mass transit should be equal to that type of fuel users. My feeling is that mass transit users are being subsidized by fuel users, westerners more so than other States. The same set of circumstances would be true if the fuel tax was used to reduce the debt. Those of us that live in the West would reduce the debt. The current proposed legislation apparently does not address a mass transit contribution.

In summary, the renewal of the surface transportation bill is a must. The States need more flexibility in non-Interstate funds, all Federal aid funds should be spent in the private sector by competitive bidding. Idaho needs immediate help in upgrading U.S. 95, U.S. 20, U.S. 12, and State Highway 55. Future travel on our highways will increase during the next 20 years. It is time to plan for highways in support of the agricultural economy and the traveling public.

Thank you for your time and interest.

Senator SYMMS. Thank you very much, Bob. We all appreciate your testimony.

Jim Anderson, from the Minnesota Association of Builders and Contractors. Jim, welcome to Idaho; we are glad to have you out here.

STATEMENT OF JAMES ANDERSON, PRESIDENT, ANDERSON BROTHERS CO., ON BEHALF OF THE ASSOCIATED BUILDERS AND CONTRACTORS

Mr. ANDERSON. Thank you, Senator. My name is Jim Anderson. On behalf of the Associated Builders and Contractors, I appreciate the opportunity to present our views on the reauthorization of the Federal Highway Program. My complete testimony has been submitted for the record. In the interest of time, I will summarize my remarks, but will elaborate at any point upon your request.

ABC encourages enactment of the reauthorization bill which is part of a long-term plan, with goals extending beyond the four-year reauthorization cycle. As we did with the Interstate Program, Congress must now lay the groundwork to meet tomorrow's transportation needs. With the benefit of a forward-looking national blueprint, these needs can be met through a well-coordinated effort. The private sector must join with all levels of government to identify and then address our national transportation needs. The Federal Government should maintain its commitment to the Federal Highway System and flexibility should be provided to allow for the inclusion of additional miles within either the Interstate or Federal-Aid Highway System.

Research and development should be a top priority at DOT and FHWA. We must examine whether the traditional modes of transportation will be sufficient to meet the demands of tomorrow. Categorical restrictions should be reduced to provide States and localities with adequate flexibility to address their unique transportation needs.

As demands on the roads change, localities must have the flexibility to respond. Construction of private roads and toll roads should be encouraged, and the designation of demonstration projects should be reserved for projects offering valid technical and administrative advances.

I am going to offer five important issues next that the ABC association would like to comment on, that would probably be part of the future legislation. Number one, and probably most important, is financing. ABC supports the user-financed Federal Highway Program. Congress should take the Highway Trust Fund off budget, spend down the trust fund balance on dedicated needs. ABC firmly opposes the current practice of holding money in the trust fund to mask the size of the deficit. In the absence of forceful language to ensure that user fee revenues will be spent on dedicated purposes, and not diverted to the general fund, ABC cannot support a gas tax increase. ABC strongly supports your resolution in opposition to the increased gas tax for deficit reduction. Such a tax would unfairly force the Nation's motorists to shoulder the costs of the deficit reduction and disproportionately burden rural Americans due to the greater distances they drive.

Number two is Clean Air. The future of trust fund financing is threatened by Clean Air proposals which mandate the use of oxygenated fuels without repealing the six cent motor fuels tax exemption provided to gasohol. According to the Federal Highway Administration, the implementation of alternative fuel programs in the nine most serious ozone non-attainment areas would cost the Highway Trust Fund $1.7 billion annually.

ABC does not believe the costs of making alternative or oxygenated fuels competitive should be borne by the Highway Trust Fund. All vehicles, regardless of fuel type, should pay their fair share in financing the construction and repair of roads, highways and bridges.

Number three is the Disadvantaged Business Enterprise Program. In 1983, DOT implemented regulations to carry out Section 105(f) of the 1982 Surface Transportation Assistance Act, which required that at least 10 percent of the Federal-aid highway programs are to be awarded to DBE contractors, unless authorized by the Secretary of Transportation.

ABC's policy is to assist, to the maximum extent possible, minorities who are seeking employment in the construction industry and minority firms seeking to participate in the free enterprise system. However, we have found set-aside programs to be unworkable and counterproductive. Rather than pursuing set-asides, ABC encourages DOT to join with the private sector to provide training and mentor programs so that disadvantaged businesses can compete and win contracts on merit, in the absence of preferential treatment. Training is an investment in our future.

Recognizing that the DBE program will be reauthorized, ABC encourages the inclusion of safeguards such as a sunset provision to ensure that the program provides rather than preserves the DBE situation.

Number four, Davis-Bacon—Davis Bacon reform could create a more effective Federal highway construction program, allow increased small business participation in the Federal highway contract bid arena, and provide more job opportunities for minorities in Federal highway and mass transit projects.

ABC does not oppose the original intent of the Davis-Bacon Act to protect workers and contractors from losing local public works projects to out-of-State contractors using itinerant workers. However, under the Davis-Bacon Act today, local contractors employing local workers are not being awarded Federal construction contracts for work in their geographic locality. The administration of the law has resulted in the determination of prevailing wages which are not the true ongoing wages in the locality. The smaller businesses simply cannot compete with the ability of larger firms to comply with the requirements of the State. The mandated paperwork alone is not economically feasible for a small business.

Adoption of a reform measure similar to the amendment offered by you, Senator, during the reauthorization in 1986 would go a long way to resurrecting the intent of Davis-Bacon.

And number five, motor carrier safety regulations. The Surface Transportation Assistance Act of 1982 authorized a grant program as an incentive for States to apply the Federal Motor Carrier Safety Regulations to intrastate motor carrier operations. ABC supports the intent to improve the safety of the Nation's highways.

However, the uniform application of motor carrier regulations, with their rigid hours of service requirements on trucks used in the construction industry is a major concern to ABC.

This concludes my remarks today on behalf of Associated Builders and Contractors. Again, I want to thank you, Senator, for the opportunity to appear in Idaho Falls.

Senator SYMMS. Thank you very much, Jim. That was an excellent statement and we appreciate it.

Sam, welcome to the committee.

STATEMENT OF SAM BENNION, V-1 OIL, IDAHO FALLS, ID

Mr. BENNION. Thank you, my dear Senator. My remarks are going to be very short today so I can go out and sharpen my golf game for the weekend.

I am Sam Bennion, V-1 Oil, a small independent marketer of petroleum products in Idaho, Wyoming, Montana and Utah, selling motor gasoline and propane as an alternate fuel that eliminates pollution.

Concerning Paragraph No. 6 of Senator Symms' letter of August 8, 1989, one of six people depend economically on the motor vehicle industry. By the conflict of the EPA and Federal Code elimination of dispensing retail motor fuels from above-ground tanks and/or impossible requirements for underground tanks, this severe irrational hardship required us to close our Worland, Wyoming service station after 20 years of operation. There is a clipping enclosed from the local Worland paper.

[The clipping referred to follows:]

[From the Northern Wyoming Daily News, June 2, 1989]

V-1 CLOSES GAS BUSINESS

Three employees will lose their jobs when V-1 Propane closes the gasoline side of its business here this month over conflicts with state and local fire officials on above-ground gasoline storage tanks.

V-1 president Gary Huskinson of Idaho Falls, Idaho said the company will be unable to relocate the three employees so they will be unemployed when the gasoline inventory is sold out. Three employees who run propane operations will retain their jobs because the company will continue propane operations here, he said.

V-1 has been ordered to buy new tanks and place them underground, meeting requirements of the fire code and new federal Environmental Protection Agency regulations, or shut down the gasoline side of the business. The company operates a service station on the north end of Worland, with two above-ground storage tanks, a violation of the Uniform Fire Code.

Huskinson says with the new regulations, it would cost V-1 some $80,000 to put in two underground tanks according to code. "There's no payout for that," he said, adding everybody will be faced with the same situation at least within the next 10 years.

Huskinson said the new regulations will eventually hurt the small gas station operators, forcing them out of business. When that happens, he predicts the competition will ease up and only large corporations will be left. He says he hopes legislation will "modify the regulations so there will be room for the independents to stay in and keep gasoline on a competitive basis."

The above-ground tanks at Worland's V-1 will still have to be moved, Huskinson said, but the company will have up to one year to do so, according to the Uniform Code.

V-1 will continue to operate its propane business, offering bulk filling and key stop facilities, as well as bulk delivery and complete propane service.

V-1 has been in business for the last 20 years, according to a company news release.

Concerning paragraph No. 8 of Senator Symms' letter of August 8, 1989 letter, legislation should be enacted to promote propane as one of the alternate fuels to gasoline. Propane is non-polluting, safe, readily available, and very economical. It does not require expensive modification of existing gasoline engines.

Repeal of unnecessary bureaucratic requirements and promotion of alternative fuel will help keep our motor vehicle transportation industry viable and profitable to the end.

Thank you, Senator.

Senator SYMMS. Thank you very much, Sam. I appreciate that statement. What has happened to your business I fear is going to happen many, many times over to as many as 25 to 35 percent of the stations in Idaho and in all the Intermountain Region. It is going to be a great inconvenience to many people if this law is not modified. I might just say for your information that on the last day we were in session prior to the start of the recess, Senator Burns from Montana and I introduced legislation which would reduce the liability insurance from $1 million to one half million dollars and then mandate that it be available before any technical regulations with respect to underground tanks could be put into effect. In addition, we would have a one-year delay just to give people a chance to figure out what has happened.

I think most people are just beginning to figure out the problems we have with underground storage tanks, and how it will have an impact on the cost of doing business. It is going to impact school bus districts, local airports, highway districts. It is going to have a broad impact on people that do have some underground storage tanks, and are not aware of what the requirements with respect to liability are. In many cases insurance simply is not available, and if it is available, a lot of these people simply cannot afford to pay for it.

Mr. BENNION. The basic problem is that the underground tank storage requirements today are so expensive and so prohibitively expensive that all we will have left are the Exxons, the Chevron people left in the marketing business.

Senator **Symms**. Well, even some of the Chevron and Exxon stations, like the fellow up in Leodore, he is a Chevron distributor, but he is privately——

Mr. **Bennion**. He's out too.

Senator **Symms**. He's out. His well, incidentally, is about 100 feet from his tank. He's going to be the first guy to know if he has a leak. It's real interesting that somehow we can't seem to get that message across in Washington.

Bob, I want to ask you one question. That is just in a general sense, how is the road construction business in Idaho compared with what it was 10 years ago?

Mr. **Corbell**. It is outstanding. I was talking to Kermit this morning. I think with the exception of maybe one of the major contractors in the State, they basically are booked up. The last few years with the supplemental funds that have increased the basic road construction, again, it applies primarily though to State and federal highway programs.

Senator **Symms**. And to the counties.

Mr. **Corbell**. The City of Boise has basically all that the general public can absorb right now. You can't get from point A to point B on two or three of the various ways that you might know of getting there now. Broadway is closed, Front is closed, Myrtle is closed, Jenden is under construction. To get to the ferry you almost have to leave town and come back in on the freeway. We are doing good.

Senator **Symms**. I'm glad to hear that. The fact is, last summer I was out getting some exercise on the G.W. Parkway and I ran into an Idaho construction company that had a contract back there and were working. I stopped and talked to a lot of the people, they lived in Idaho and they were back there working in Northern Virginia.

Mr. **Corbell**. He's still there.

Senator **Symms**. One of the workers there said "Steve, why don't you get some money pumped into Idaho so we don't have to go out of State to work?" I said "Somebody is not telling you the whole story, because we've got more money coming into Idaho than we have ever had."

Mr. **Corbell**. He was not telling you the whole story either.

Senator **Symms**. Yes. That's what I mean. This is one of the worker's I'm not talking about the superintendent. I said "Somebody hasn't told you the game—there is a whole lot of work going in Idaho, more than ever before."

Thank you all very much. I appreciate your making the effort, and I especially appreciate your coming from Minnesota to testify. I hope you get a chance to enjoy some of the great outdoors here in Idaho while you are here.

Panel 6—Bill Jensen from New Sweden Irrigation District here in Idaho Falls, LaDon Harriell, Idaho Falls, Mrs. Tally Peterson, Idaho Falls, and Roger Piscitella, Idaho Falls.

Okay, let's see here, Bill Jensen, are you ready to start? Why don't you start off and we will just go right down the list.

STATEMENT OF BILL JENSEN, DIRECTOR, NEW SWEDEN IRRIGATION DISTRICT, IDAHO FALLS, ID

Mr. JENSEN. Senator Symms, ladies and gentlemen, the New Sweden Irrigation District recognizes the need to improve the highway system in question. However, we oppose the proposed alternate north route through prime farm land. Agricultural farm land is a commodity not easily replaced.

The proposed route would cross New Sweden canals a total of nine times. The proposed limited access road would have a long term negative affect on canal maintenance. Daily checking of canals would also be greatly affected by the limited access, and would reduce the efficiency of the personnel time and the accessibility of weed control crews would be hindered by the addition of nine more crossings.

What does all of this mean in dollars and cents? Depending on the limited access, the additional cost to the New Sweden Irrigation District would be about $10,000 per year. This includes daily maintenance, yearly cleaning maintenance, gate control and weed control. This figure is based on our current pay scale, and everyone knows the cost of doing business increases yearly. By the year 2000, who knows what this same maintenance will cost. Please remember, ladies and gentlemen, that these additional nine crossings and the highway will be there for our children and our grandchildren who will assume the responsibility for ever-increasing expenses.

Most of the farm ground in New Sweden Irrigation District has been farmed by two to three generations of the same family. Most of us would hope that this trend could continue.

The boundaries of the New Sweden Irrigation District begin at the Bonneville-Jefferson County Line on the west side of the Snake River and extend through Bonneville County and into a large part of Bingham County, making it about 28 miles long. We have approximately 126 miles of canals. The district furnishes water for 32,000 acres. Farmers and property owners are taxed by the number of acres they own in order to maintain and operate the district.

Pollution is fast becoming a problem in most waterways through the country, and it is one of New Sweden's major concerns. Storm drainage and debris from additional highways add pollution to an already existing problem. Debris such as weeds get into the canal system and cause serious problems in keeping grates clean, headgates and pumps from becoming plugged. The 1987 Clean Water Act advocates the protection of ground and surface water quality. A large highway passing through an agricultural area should be designed to prevent runoff or chemical spills from entering an irrigation delivery system. Runoff from asphalt and roadways carry contaminants or toxics including carcinogenic which can be highly detrimental to crop production.

In conclusion, we believe there is a better choice in this instance. The existing right-of-way could be altered and modified to meet the needs of the traffic flow and not damage more valuable food producing farm land. The proposed northern route would burden our descendants with additional taxes of as much as 15 percent as well as increased costs to fight pollution. Asphalt is the last crop planted and will be there forever.

Thank you.

Senator SYMMS. Thank you very much.

LaDon Harriell. Just before you start, exactly where is this road, so I know what you are talking about? Is it on this map?

Mr. PISCITELLA. Senator, I have a map here that we can put on the wall.

Senator SYMMS. Could somebody do that first, so I know what we're talking about?

Mr. PISCITELLA. We've talked about it so much that we think everybody knows what we're talking about.

Senator SYMMS. I have heard of it. I need to have it in front of me to have my memory refreshed. How many miles of road is this? And it goes from where to where?

Mr. PISCITELLA. This is the existing highway, it follows this route, and ties back into the highway there. It ties off and goes about one-half mile down the out of town section.

Senator SYMMS. And that's what you all are opposed to? And that suggestion—does that come through the State highway department?

Mr. PISCITELLA. This is a State highway department produced map. They produced this as an alternative to widening.

Senator SYMMS. They have not agreed on this yet, is that correct?

Mr. PISCITELLA. It is my understanding that they have not selected——

Senator SYMMS. So you are still in the process of bringing it forward here, as well as to the State highway department?

Mr. PISCITELLA. We still have a hearing to go to about the location of this road.

Senator SYMMS. Okay. Go right ahead, LaDon.

STATEMENT OF LaDON HARRIELL, IDAHO FALLS, IDAHO

Mr. HARRIELL. Thank you for giving me the opportunity to testify concerning the improvement of Highway 20. Many people think this is an emotional issue, but this is not the case. If an inconvenience of moving and altering a lifestyle for a few months and being compensated for the inconvenience is all we would be facing, none of us would be opposed. The consequences of this, in many cases, is an ongoing thing, for life, to our children and grandchildren.

Many people will be affected by either route. By this, I mean they have a disruption of their property by either route. They feel that the north route is wrong. They are Mr. and Mrs. Donald Erickson, Mr. and Mrs. Walter Petersen, Mrs. Dorothy Cope, Mr. and Mrs. Kenneth Cook and Mr. and Mrs. Kirk Hyndman.

Many who live on or have property on the existing route and who would be affected by the widening of it, are also opposed to the north route. They are Mr. J.R. Hayes, Mr. Jess Hayes, Mr. and Mrs. Dale Terry, Mr. and Mrs. Roy Holmer, Mr. and Mrs. Herb Sohn, and Mr. and Mrs. Henry Petersen.

Thousands of acres are taken for development in the United States every year. Prime farm land, which this is, is a commodity that can never be replaced once it is covered up or cut up and rendered unfarmable. The farm ground being affected, according to Mr. Lee Nellis, a consultant design planner of Idaho Falls, Idaho, is rated as some of the highest in the State of Idaho.

None of us involved are so naive that we think progression in this country will not affect some of us more than others. I am sure all of us are willing to sacrifice somewhat for that for the betterment of others. However, we strongly feel that widening the present Highway 20 would have less overall effect on everyone.

The fact that the New Sweden Irrigation District would have nine more bridges across their irrigation canals would cause a tremendous increase in maintenance expense for as long as this area is irrigated, hopefully forever.

You can see from all the names on our petitions that there are hundreds of people opposed to the North route. The first petition is of the people directly involved or affected. The second petition are people not directly involved, but people who from a common sense point of view can see that routing a highway one half mile from another would have a serious impact on our area.

We have taken our problems to the people and we have good support from many groups such as the Farm Bureau, New Sweden Irrigation, Pheasants Forever, and Potato Growers of Idaho. All of these people can see that the north route would have a negative effect on various segments of our community.

The wildlife through this area will be affected. Many of these canals are nesting areas for ducks, pheasants, Hungarian Partridge and a host of smaller birds and animals. There are also non-game animals, hawks, owls and foxes. In one particular morning last April, while working a 24-acre field on the Cope and Cook Farm, I saw Canadian Geese, Mallard Ducks, pheasants, partridge, fox, skunk and many small birds. The road will, if put to the north, cut this field in two parts, not only destroying the field, but the habitat.

The farmers' living would be drastically affected. No amount of compensation could offset loss from the farms. Several of the farms would be cut in two portions, making it virtually impossible to farm on a day-by-day basis. Harvesting would be especially difficult because of the long distance we would have to travel to get to storages. No amount of money can compensate for the loss of income, extra expenses or the loss of a way of life that some lived for several generations.

Many of the irrigation systems will have to be redone and in some cases, rendered useless. One farmer will have to drive almost a mile to get to a pump 300 yards from his home. The Goetz farm has a very effective irrigation system utilizing all the capabilities of the pump. The highway will cut their farm up so bad that they feel they can no longer farm at a profit.

We appreciate the fact that the money is being made available to upgrade the highways in our area, but we strongly feel that in so doing, the less negative effect on people the better off everyone will be.

Thanks again for letting me testify. If you have any questions, I will be glad to answer them.

Senator SYMMS. Thank you very much.

Mrs. Petersen.

STATEMENT OF TALLY PETERSEN, IDAHO FALLS, ID

Mrs. PETERSEN. Good afternoon, Senator Symms and members of the panel. I am very pleased to be here today to speak to you.

Many of the issues that LaDon has addressed, I will be talking about again, but I think they bear repeating. I am speaking mainly on behalf of my husband, Walt, and myself, as well as other farmers and concerned citizens. We are grateful for the opportunity to testify and express our observations and concerns with regard to the Idaho Department of Transportation's intent to improve U.S. Highway 20 in conjunction with the Federal-aid Highway Program.

Our concern is over the proposal made last January to relocate Highway 20 west of Idaho Falls one-half mile north of the existing highway.

As farmers, our main concern is the extremely negative impact on agriculture production and agricultural families as well as the adverse effects to the irrigation district. Additionally, we want to stress the impact on the environment and some overall effects on the community.

Approximately 10 farms will be affected by this alternate route. Several of these farms are helping in the support of more than one family per farm. Our farm alone helps in the support of three families. By running the new highway through prime farm ground, and there are ratings for this based on LESA Scoring, the farms will be chopped up in a manner which will drastically affect incomes, production and convenience to transportation of crops and machinery. Several hundred acres are going to be lost to this new highway system.

We were advised last year of the existing highway widening and thought that the matter was settled. Therefore, we went ahead with extensive farm improvements, at considerable expense. We moved 2000 feet of the Swanson Canal to square up the farm and purchased two more wheel sprinkler lines. The alternate highway will traverse this, ruininng part of our efforts and leave a portion of ground unprofitable for farming.

This sort of situation will be of the same destructive nature to all the other farms involved, and this example would include access to spud cellars.

At issue also is the fact that people are constantly encouraged to protect our environment. With another highway running parallel to the existing highway, the habitat we farmers try to maintain will be further destroyed through future development and the sanctity of the environment further reduced.

Once this farm ground is chopped up, farmers will have to deal with pressure from developers anxious to seize the opportunity to increase housing and commercial developments, bringing in more people and problems. Economic benefits of productive crop land will be lost while public service costs will be increased.

Another major issue is the disruption of the irrigation systems, which Mr. Jensen addressed, and the canal crossings. The impact on these systems and the financial burden to alter all water systems for the sake of another highway would be passed on to the farmers. It would increase the work and access of the New Sweden Irrigation District in servicing and maintaining just that many more crossings due to the double highway system.

Consider also the effect on school bussing. They will have a longer route to drive with two highways. There will be more crossings and at either end of this four-mile stretch of new highway will be two dangerous intersections funneling all traffic back into the one single highway. This situation applies as well to all traffic, naturally including farm, fertilizer and freight trucks, ambulances and firetrucks, etc.

We sympathize with those homeowners whose homes along the existing highway will be moved or their front lawns reduced. We also will lose a large part of our front lawn and all of our trees, which have provided privacy and sound barriers. We personally will be adversely affected either way. But homes and trees can be replaced. The income-providing farm ground, once taken, can never be replaced.

The double highway system will naturally present to taxpayers higher maintenance costs and constituents don't want more taxes. It seems to us that widening the existing highway would be the most compatible and feasible plan, keeping in mind safety and efficient transportation.

Senator Symms, you stated that the Federal Government returns about $13 billion in highway user fees to the States each year with extreme competition for these funds. We know there are a myriad of needs for highway improvements, and in the long run, considering extra maintenance fees and probably the fact that this new highway may cost slightly more to build, it seems the extra money could be better used elsewhere.

We feel the overall traffic flow is just going to be more confusing and possibly instead of creating better safety will present more hazardous situations.

Similar issues will probably be raised in other areas, too, and these issues should be given careful consideration.

Thank you.

Senator Symms. Thank you very much for an excellent statement.

Roger. Thank you for bringing the map.

STATEMENT OF ROGER PISCITELLA, IDAHO FALLS, ID

Mr. Piscitella. Thank you, Senator.

I appreciate the opportunity to furnish testimony with regard to the reauthorization of the Federal-Aid Highway Program. In particular I would like to address Federal design standards and requirements for the Federal-Aid highway system. The design standards and requirements that I address in my testimony are those used by the highway department to select routes for new or upgraded highways.

My experience in this area stems from a recent proposal to relocate U.S. Highway 20 west of Idaho Falls one-half mile north of its present location. Since 95 percent of the costs for this project will be Federal funds, I feel that the issues relating to this relocation of this highway come under the subject of these hearings.

My first observation is that farm land and farms do not get the emphasis that they deserve in the process of site selection. There still appears to be a feeling that farm land will always be in abundant supply and that the destruction of a few more farms won't make that much difference. Times have changed. The family farm that was once a familiar feature on the landscape has now become an endangered species. It should be treated and protected as such.

My second observation is that the selection of a location for a new highway should consider all of the effects on the community. A new highway should not be considered to stand alone. Effects on the community of the new highway and the old highway should be considered. To further explain this statement, I'll refer to the proposed north route option for U.S. HIghway 20. Addition of a north highway will result in two highways in parallel that start and stop at the same points. Maintenance and snow removal costs would be doubled. The taxpayer would be required to pay these expenses for both highways forever.

Existing irrigation systems would become useless, and routine farm activities would be difficult if not impossible to perform. The affected farms would most likely be sold. With the selling of farms an additional 500 to 600 acres of farm land would disappear into housing developments. The added housing would have an adverse effect on the highway safety. The old highway with all of its current safety problems would still exist. The number of north-south county road intersections would double and two new intersections would be added where the north route ties into the old route. This would double the chances at the historically proven most dangerous part of the road.

This population growth would either increase the number of the accesses to the north route, causing the same situation that is present on the current highway, or greatly increase the traffic on the old dangerous highway.

My third and final comment deals with the environment. As the environment continues to degrade in almost all parts of the country we in Idaho still enjoy life that is closely tied to the land and open spaces.

We should not be so naive as to assume that this environment will take care of itself. We must think ahead and plan to protect these precious resources. If the north highway is built, the "Idaho" environment in this part of the county would disappear, and we would take one small step toward an environment in which none of us want to live.

The option to relocate three and one half miles of U.S. Highway 20 west of Idaho Falls may seem like a small thing when the whole Federal-Aid Highway Program is addressed. But the issues that have been raised are applicable to all future highway construction and are important points to consider.

I would like to also enter some written testimony and that is some petitions which we have circulated and signed. They expand on the issues that I have briefly touched on here. There are some 1250 signatures on those petitions. There are also letters here from the Bonneville County Farm Bureau, the Bonneville County Planning Commission, and the West Side Soil and Water Conservation District.[1]

Thank you.

Senator SYMMS. Thank you very much. Let me ask the question again that I asked before and that is, the northern proposal, for my edification, is now one of two options. They go the old route or the new route. That is a decision made by the highway department.

Mr. PISCITELLA. Yes.

Senator SYMMS. And they are still going to have a hearing, in which you will present this to them?

Mr. PISCITELLA. Yes.

Senator SYMMS. I was going to say, I would be happy to see that this is made available to them. If you are going to do it, that's fine. Have you had any contact with them yet?

Mr. PISCITELLA. We have worked very closely with the highway department and we got them out to the highway.

Senator SYMMS. What is your feeling as to what they would want to do?

Mr. PISCITELLA. I think they have changed their opinion. I think when we first became aware of this in February that their preferred route was the north option, but I think as they developed cost estimates and as they have become aware of more of the issues concerning the north option, I don't know what their feeling is.

Senator SYMMS. What's the water table there?

Mr. PISCITELLA. The water table at my house is about 350 feet below the surface. I'm right on the north option.

Senator SYMMS. I guess I'll have to drive out and take a look at that this afternoon, to see where it is. You mentioned development. How many acres are there? Would you say there are 500 acres?

Mr. PISCITELLA. There was a study done, and it was estimated that 500 to 600 acres would go into housing developments if that north route was placed. There are a number of additional acres—do you know, LaDon?

Mr. HARRIELL. I'm not sure exactly how many would be affected.

Mr. PISCITELLA. I would guess three times that.

Mr. HARRIELL. I would say so.

Senator SYMMS. I talked to a farmer the other day. It's too bad he hasn't got a field in there. He's looking for someone to buy out his loans. I didn't have an answer for him, either. I'm sympathetic to your problem. I think it an important factor to the Idaho Falls area to know where the city is going to expand, as it grows. That's a consideration, but we will surely look at it.

I guess I feel partly responsible for this, because we got what I believe is a priority rating for Highway 20, so they could concentrate on it to help with all the traffic that goes in and out at certain times of the day, trying to make it a little less congested. But we'll have a look at it,

Do you have any questions you want to bring up, counselors?

I guess my staff is going to go out there and take a look at it. He is also going to take a look at some other roads around the State, so that will be good.

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[1] The material referred to has been retained in committee files.

I want to just say thanks again to the City Council and the City of Idaho Falls for providing us with this place to have a hearing. I thank my staff that are here.

I want to say also this concludes two days of hearings. The hearing record will remain open so that anyone who wants to submit additional comments will be able to do so. You can send any written testimony either to my office here in Idaho Falls, and it can be forwarded on to me or my Washington staff, attention Taylor Bowlden, and we'll see that it gets filed in the committee hearing record.

I want to thank all witness who testified. I think it is helpful that we get started for the first round in these important highway considerations and that we come out with a highway program that is strong and will continue to help us improve our road system because we have a lot of work to do. We want to get ahead of as much of it as possible, or else it will get so frustrating in the future that we never will catch up.

For now the committee stands in adjournment. Thank you all.

[Whereupon, at 3:21 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Statements submitted for the record follow:]

STATEMENT OF

GALEN RESER

ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS
U.S. DEPARTMENT OF TRANSPORTATION

HEARING BEFORE

THE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

"THE FEDERAL-AID HIGHWAY PROGRAM"

Idaho Falls, Idaho

August 22, 1989

Good morning, Mr. Chairman. I am Galen Reser, Assistant Secretary for Governmental Affairs for the U. S. Department of Transportation. I am pleased to be here this morning to discuss the Federal-Aid Highway Program. While the Federal-Aid Highway Program has contributed greatly to the construction and maintenance of a vital part of our nation's transportation system, we are now approaching the time when we will have to decide on whether to continue the highway program as it has been or reshape and redirect it to conform to a changing future. The Federal Highway Administration has been conducting numerous analytical studies over the past several months in an attempt to make that determination. This effort, which is the basis for the development of a legislative proposal, included an examination of the role the Federal government should take in the future with respect to highways. As you might expect, this raised many questions, such as: Which highways should the Federal government be concerned with? What is the appropriate level of Federal assistance? How much can and will the States do on their own? Certainly, in answering these questions, we have developed a perspective about how the next highway program might look. However, we recognize that the direction the program should take is integrally related to the National Transportation Policy, which is now being developed by the Department of Transportation. On July 31, 1989, we released our first major product, a report, Volume 1 of Moving America: New Directions, New Opportunities, entitled, Building the National Transportation Policy, which sets the groundwork for developing our National Transportation Policy.

As Secretary of Transportation Samuel K. Skinner has said, "The report, Building the National Transportation Policy, assesses the conditions and trends in the markets served by transportation, identifies the external factors that affect transportation, and sets out key issues for discussion and negotiation."

The report also highlights the nation's growth trends and current investment priorities in transportation. America's population is expected to grow by 44 million people by the year 2020, and will be an older society with the average age of 40.2 years in 2020 compared to the current average age of 32.1 years.

According to the report, America spends $800 billion annually on freight and passenger transportation services, a vast majority coming from the private sector.

We identify in our report the following nine areas as major concerns among transportation officials across the nation: infrastructure, safety, national security, international trade, growth in demand, equity and access, the environment, dependence on foreign oil, and budgetary constraints.

Secretary Skinner is looking forward to the results of the public hearing and information gathering phase of the development of the National Transportation Policy. We have organized this effort in a non-traditional way. Rather than looking at transportation along the usual "modal" lines -- rail, air, highway, water -- we are gathering information along market-oriented lines. Six working groups, including those interested in urban/suburban and rural issues, and intercity and international transportation, are currently holding hearings and workshops across the country through September 12, in order to gather information that will assist in the development of the policy. A hearing was held in Moscow, Idaho on July 25, 1989, to discuss rural transportation issues.

It is clear, Mr. Chairman, that the demand for mobility by the American people will continue to grow, and our highway and roadway systems will continue to play a significant role in providing for that mobility. Our department will work closely with you and your committee to develop a national policy that considers the nation's transportation needs both rural and urban and incorporates the appropriate role of highways in our transportation system. We also will work with you in preparing legislation that will reshape the Federal-aid highway program so it can respond more quickly and fully to increasing and changing demands. There is much to do before we complete all the details necessary for a comprehensive bill. We are interested, as you are, in developing apportionment formulas that will treat all the States fairly and equitably. This is not easy to do and will eventually require some compromises. In another area, we are concerned about the effect alternative fuels and their exemptions will have on revenues coming into the Highway Trust Fund.

The majority of Highway Trust Fund revenues will have to be directed towards those highway and bridge facilities that serve the most important interstate or interregional functions. State and local governments, possibly developing new and innovative means of financing, will be called upon increasingly to meet needs on lower priority roads and bridges.

Transportation needs in urban and rural areas are different, indicative of the unique problems and opportunities available in each. In rural areas, for example, there are major concerns for access to keep the more isolated rural communities in social and economic contact with the rest of the country. There is concern with the replacement of aging bridges, mostly off-system low volume bridges. There is concern in some areas with rural transit needs, providing transportation service for those unable to afford or to operate private vehicles. In urban areas, highway congestion is the most widely voiced concern, particularly in rapidly growing suburban areas. The availability of transit is also a concern, since this may be the only option for broad segments of urban and suburban dwellers. In many ways, the issues and specific problems seem to be separate, but in another respect, they are the same -- the need for safe, efficient, and reliable transportation options to provide access and ensure future mobility for a growing American population and changing economy.

Commercial and agricultural transportation concerns center around the access, connection, and regulation of transportation systems. Within the trucking industry, access to and interconnection of, a system of highways and bridges to support standard vehicle size and weight configurations is of paramount importance. Regarding system usage, truckers are concerned with the proliferation of regulations, and the time spent in complying with a variety of State procedures and requirements. There is also concern with variability in fuel taxes, registration and licensing, all of which contribute, in the industry's eyes, to a loss of industry productivity and an increase in costs. We will address these concerns in our developing National Transportation Policy.

That concludes my prepared remarks. I would be pleased to answer any questions you may have.

TESTIMONY
SUBCOMMITTEE FIELD HEARING
REAUTHORIZATION OF FEDERAL AID HIGHWAY PROGRAM

Presented by:
Richard Backes
Highway Commissioner
North Dakota State Highway Department

Idaho Falls, Idaho
August 22, 1989

TESTIMONY
SUBCOMMITTEE FIELD HEARING
REAUTHORIZATION OF FEDERAL AID HIGHWAY PROGRAM
IDAHO FALLS, IDAHO
AUGUST 22, 1989

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, MY NAME IS RICHARD BACKES, AND I AM THE NORTH DAKOTA STATE HIGHWAY COMMISSIONER. I WOULD LIKE TO THANK YOU FOR THE OPPORTUNITY TO PROVIDE INPUT INTO THE DEVELOPMENT OF THE 1991 FEDERAL AID HIGHWAY PROGRAM.

THE PRESENT FEDERAL AID HIGHWAY PROGRAM HAS BEEN ONE OF THE MOST SUCCESSFUL, LONG RUNNING, COOPERATIVE PARTNERSHIPS EVER UNDERTAKEN BY FEDERAL AND LOCAL GOVERNMENTAL AGENCIES. OVER THE YEARS THE SYSTEM HAS DEVELOPED THE SAFEST, MOST EFFICIENT HIGHWAY SYSTEM IN THE WORLD. I PUT THE FEDERAL AID HIGHWAY PROGRAM IN THE SAME CATEGORY AS OTHER SUCCESSFUL FEDERAL PROGRAMS SUCH AS THE RURAL ELECTRIFICATION ACT, UNIVERSAL POSTAL SERVICE, AND WATER DEVELOPMENT PROJECTS.

IN RURAL AREAS LIKE NORTH DAKOTA THE OVERALL GOOD HEALTH OF OUR ENTIRE ECONOMIC SYSTEM DEPENDS ON THE CONDITION OF OUR RURAL ROADS AND BRIDGES. A SOUND HIGHWAY SYSTEM IS THE LIFEBLOOD OF A STATE'S ECONOMIC DEVELOPMENT.

MOVING AGRICULTURAL PRODUCTS

THE PROBLEM ASSOCIATED WITH NORTH DAKOTA'S ROAD SYSTEM IS NOT MOVING PEOPLE IT IS MOVING COMMODITIES. NORTH DAKOTA IS CONSIDERED THE MOST "AG-DEPENDENT" STATE IN THE NATION AND ITS ECONOMY IS DEPENDENT ON THE WELL-BEING OF AGRICULTURE. NO STATE IS MORE DEPENDENT ON TRANSPORTATION THAN AN AGRICULTURAL STATE, AND NO STATE IS MORE AGRICULTURALLY ORIENTED--OR MORE LANDLOCKED--THAN NORTH DAKOTA.

NORTH DAKOTA'S AGRICULTURAL PRODUCTION IS IMPORTANT TO THE NATIONS ECONOMY AND VICE-VERSA. IF THE STATE'S AG PRODUCTION IS NOT MARKETED IN A TIMELY AND EFFICIENT MANNER, THE PEOPLE OF NORTH DAKOTA AND THE NATION ARE AFFECTED. NORTH DAKOTA PRODUCERS ARE IMPACTED BY LOWER PRICES AT THE FARM, WHILE CONSUMERS REALIZE HIGHER PRICES AT THE RETAIL LEVEL.

THE FEDERAL GOVERNMENT SHOULD HAVE AN INTEREST IN FUNDING RURAL ROADS FROM THE STANDPOINT THAT AGRICULTURE FEEDS THE AMERICAN PEOPLE AND GENERATES MILLIONS OF JOBS. AGRICULTURE ALSO PROVIDES AN ENORMOUS CONTRIBUTION TO THE BALANCE OF TRADE AND PLAYS A VITAL ROLE IN THE COUNTRY'S INTERNATIONAL COMMERCE.

INABILITY OF RURAL STATES TO GENERATE REVENUE

SECRETARY OF TRANSPORTATION SAMUEL K. SKINNER SAID STATE AND LOCAL GOVERNMENTS WILL BE REQUIRED TO FOOT A LARGER PORTION OF THE BILL FOR FUTURE TRANSPORTATION IMPROVEMENTS.

THE NEED FOR ADDITIONAL REVENUE TO IMPROVE OUR TRANSPORTATION SYSTEM IS EVIDENT. NORTH DAKOTA IS CURRENTLY SPENDING ABOUT $45 MILLION IN CONSTRUCTION FUNDS PER YEAR TO PRESERVE AND IMPROVE OUR RURAL STATE HIGHWAY SYSTEM. ACCORDING TO A STUDY CONDUCTED BY THE NORTH DAKOTA

STATE HIGHWAY DEPARTMENT, IF WE ARE TO KEEP OUR SYSTEM IN THE SAME CONDITION IN THE YEAR 2000 AS IT IS NOW, WE SHOULD BE SPENDING $104 MILLION PER YEAR, OR ALMOST 2 1/3 TIMES OUR CURRENT EXPENDITURES.

NEEDS ARE INCREASING AT A TIME WHEN REVENUE SOURCES ARE DECREASING. IN 1985, NORTH DAKOTA RECEIVED $80.5 MILLION IN FEDERAL AID. IN 1988, THIS WAS REDUCED TO $61 MILLION AS A RESULT OF SPENDING LIMITATIONS IMPOSED BY CONGRESS.

NORTH DAKOTA HAS A VERY LARGE ROAD NETWORK AND A SMALL POPULATION BASE TO SUPPORT IT. INCREASING USER FEES IN RURAL STATES LIKE NORTH DAKOTA DOESN'T GENERATE A LOT OF REVENUE. THE NATIONAL STATEWIDE AVERAGE ANNUAL YIELD FOR A PENNY INCREASE IN THE MOTOR FUEL TAX IS ABOUT $26.1 MILLION. IN NORTH DAKOTA ONE CENT GENERATES ABOUT $4.1 MILLION OR LESS THAN ONE SIXTH THE NATIONAL AVERAGE. CALIFORNIA GENERATES ABOUT $120 MILLION FROM EACH CENT OF ITS MOTOR FUEL TAX. THIS IS MORE THAN THE NORTH DAKOTA STATE HIGHWAY DEPARTMENT SPENDS ANNUALLY ON ITS ENTIRE STATE CONSTRUCTION AND MAINTENANCE PROGRAM.

IT ISN'T THAT RURAL STATES ARE NOT TRYING TO GENERATE REVENUE ON THEIR OWN. IN FACT, RESIDENTS IN RURAL STATES PAY SOME OF THE HIGHEST MOTOR FUEL TAXES IN THE NATION. NORTH DAKOTA'S TAX IS 17 CENTS PER GALLON, AND OUR LEGISLATURE APPROVED INCREASING THE GASOLINE TAX TO 20 CENTS, AND THE DIESEL FUEL TAX TO 19 CENTS/GALLON. HOWEVER, THESE INCREASES ARE BEING REFERRED TO A VOTE OF THE PEOPLE. SOUTH DAKOTA'S MOTOR FUEL TAX IS 18 CENTS, NEBRASKA'S IS 18.5 CENTS, AND MONTANA'S IN 20 CENTS COMPARED TO THE NATIONAL AVERAGE OF JUST OVER 15 CENTS PER GALLON.

THE ABILITY TO PAY AND THE EFFORT BEING PUT FORTH BY THE STATES TO GENERATE REVENUE SHOULD BE TAKEN INTO CONSIDERATION IN DEVELOPING THE NEXT FEDERAL AID HIGHWAY PROGRAM.

1991 FEDERAL HIGHWAY BILL

IN PREPARING THE 1991 HIGHWAY BILL IT IS ESSENTIAL FOR THE STATES TO PULL TOGETHER AND OVERCOME DIFFERENCES BETWEEN RURAL AND URBAN NEEDS AND DEVELOP A FEDERAL HIGHWAY PROGRAM THAT REFLECTS THEIR NEEDS.

MANY RURAL STATES ARE CONCERNED THAT SOME OF THE PROPOSED CHANGES TO THE NEXT FEDERAL HIGHWAY BILL COULD HAVE A NEGATIVE IMPACT ON THE AMOUNT OF FUNDING THEY RECEIVE. A GREAT DEAL OF ATTENTION TO TRANSPORTATION PROBLEMS IN THE UNITED STATES HAS FOCUSED ON LARGE METROPOLITAN AREAS, BUT THE CONDITIONS IN RURAL AREAS ARE CRITICAL AND THE FINANCING OUTLOOK IS BLEAK. URBAN CONGESTION AND GRIDLOCK ARE MAJOR TRANSPORTATION PROBLEMS THAT MUST BE ADDRESSED. HOWEVER, SOME RURAL AREAS ARE ALSO EXPERIENCING A FORM OF "GRIDLOCK," OR "MUDLOCK" IN THAT THEY ARE UNABLE TO EFFECTIVELY MOVE THEIR COMMODITIES DUE TO LOAD RESTRICTIONS PLACED ON ROADS AND BRIDGES.

I WOULD LIKE TO ADDRESS A FEW OF THE PROPOSALS BEING CONSIDERED IN DEVELOPING THE NEXT HIGHWAY BILL THAT ARE MAJOR CONCERNS TO RURAL STATES LIKE NORTH DAKOTA.

1. MORE EMPHASIS ON VEHICLE MILES OF TRAVEL (VMT) AND LESS EMPHASIS ON LANE MILES OF ROAD IN ALLOCATING FEDERAL FUNDS. THIS WOULD HAVE A DEVASTATING EFFECT ON RURAL STATES THAT HAVE A LARGE ROAD NETWORK AND LOW TRAFFIC VOLUMES. ONE OF THE GREATEST FALLACIES OF USING VMT AS A BASIS FOR FUNDING IS THAT REMAINING ROAD LIFE AND MAINTENANCE COSTS DO NOT CORRESPOND PROPORTIONATELY WITH VMT. THERE ARE FIXED COSTS ASSOCIATED WITH TAKING CARE OF A ROAD REGARDLESS OF THE TRAFFIC. FACTORS SUCH AS TYPE OF TRAFFIC (PERCENT OF TRUCKS) AND DRAMATIC CLIMATIC CHANGES IMPACT HIGHWAYS MORE THAN TOTAL VMT.

2. INCREASING STATE AND LOCAL MATCHING RATIOS. THERE ARE PROPOSALS BEING CONSIDERED THAT WOULD PROVIDE MATCHING RATIOS OF 60 PERCENT FEDERAL AND 40 PERCENT LOCAL, OR A 50/50 SPLIT, FOR SOME PROGRAMS IN THE NEXT HIGHWAY BILL. SOME OF THESE PROGRAMS ARE CURRENTLY FUNDED ON AN 80/20 OR 75/25 MATCHING RATIO. INCREASING THE LOCAL MATCH WOULD POSE HARDSHIPS FOR RURAL STATES THAT ARE HAVING DIFFICULTY GENERATING ADDITIONAL REVENUE AT THE LOCAL LEVEL.

3. Funding split between the Highways of National Significance and Flexible Program. It has been proposed that funding for the Flexible Program be based strictly on the amount of revenue each state paid into the Federal Highway Trust Fund. This would result in a reduction in funding to rural recipient states that are currently receiving more than they are paying into the trust fund. In addition, the local matching ratios proposed for the Flexible Program are larger than the program for the Highways of National Significance. We would like to see a larger proportion of the funds in the Highways of National Significance Program with the ability to transfer these funds to ensure the needs of the individual states are being met.

4. INCREASING THE MINIMUM AMOUNT OF FEDERAL HIGHWAY FUNDS THAT ANY STATE WILL RECEIVE. CURRENTLY, NO STATE SHALL RECEIVE LESS THAN 85 PERCENT OF THE TOTAL REVENUE THEY PAY INTO THE FEDERAL HIGHWAY TRUST FUND. IT HAS BEEN PROPOSED THAT THIS MINIMUM RETURN BE INCREASED TO 90 PERCENT. THIS WOULD BENEFIT THE LARGER DONOR STATES, BUT WOULD HAVE A NEGATIVE IMPACT ON THE RURAL RECIPIENT STATES.

5. MAINTAIN A MINIMUM ALLOCATION PROVISION. UNDER THE CURRENT HIGHWAY BILL, SOME OF THE PROGRAMS INCLUDE A PROVISION THAT NO STATE SHALL RECEIVE LESS THAN ONE-HALF OF ONE PERCENT OF THE TOTAL FUNDING IN A SPECIFIC CATEGORY. A PROVISION OF THIS NATURE PROTECTS THE SMALL STATES WITH LOW TRAFFIC VOLUMES, AND WE SUPPORT CONTINUING THIS CONCEPT IN THE NEW HIGHWAY BILL.

COMPETITION FOR HIGHWAY FUNDS

IF ADEQUATE REVENUE IS TO BE PROVIDED IN THE NEXT HIGHWAY BILL WE MUST WORK TO PROTECT THE TRUST FUND FROM OUTSIDE INTERESTS. THERE HAS BEEN INCREASING PRESSURE TO USE HIGHWAY FUNDS TO SUPPORT OTHER PROGRAMS. INCREASING THE MOTOR FUEL TAX AND IMPOSING SPENDING LIMITATIONS TO REDUCE THE FEDERAL DEFICIT, USING HIGHWAY FUNDS TO SUBSIDIZE THE GASOHOL INDUSTRY, TAX EVASION, AND THE IMPOSITION OF SANCTIONS ON HIGHWAY DOLLARS TO FORCE COMPLIANCE WITH FEDERAL REGULATIONS HAS BECOME COMMON IN THE 80'S. FINANCING ROADS AND BRIDGES THROUGH THE USER FEE CONCEPT HAS BEEN VERY SUCCESSFUL AND EVERY EFFORT SHOULD BE MADE TO ENSURE THAT THESE FEES ARE PROTECTED AND USED FOR THE PURPOSE THEY WERE COLLECTED.

CONCLUSION

IN CONCLUSION, TRANSPORTATION HAS BEEN, AND WILL CONTINUE TO BE A VITAL ELEMENT IN THE FUTURE GROWTH OF OUR NATION. POOR ROADS COST US ALL, WHETHER IT IS IN TIME DELAYS, INCREASED VEHICLE OPERATING COSTS, INCREASED TAXES, OR HIGHER PRICES WE PAY FOR COMMODITIES AND SERVICES.

IN PREPARING THE NEXT HIGHWAY BILL WE MUST LOOK AT THE TOTAL PICTURE OF URBAN AND RURAL INTERESTS. WE CAN'T FIGHT AMONGST EACH OTHER. WE MUST PULL TOGETHER AND OVERCOME DIFFERENCES BETWEEN RURAL AND URBAN INTERESTS TO FIGHT FOR A FEDERAL HIGHWAY PROGRAM THAT ADDRESSES THESE NEEDS.

FARMERS AND THOSE LIVING IN RURAL AREAS ARE VERY MUCH A PART OF THE AMERICAN SCENE AND NEED TO BE INVOLVED IN THE WHOLE SPECTRUM OF TRANSPORTATION IN AMERICA. THE REALIZATION IS NEEDED THAT THE RURAL TRANSPORTATION NETWORK IS AND INTEGRAL PART OF THE NATIONAL TRANSPORTATION SYSTEM AND THAT A GREAT DEAL OF INTERSTATE TRAFFIC ORIGINATES ON RURAL ROADS. FUNDING MUST BE PROVIDED FOR RURAL TRANSPORTATION, JUST AS IT IS NEEDED IN METROPOLITAN AREAS.

THE KIND OF HIGHWAY SYSTEM THAT WILL BIND OUR NATION TOGETHER IN THE FUTURE WILL BE THE RESULT OF A NATIONAL EFFORT AND NATIONAL PROGRAM SUPPORTED BY STATE GOVERNMENT, LOCAL OFFICIALS, AND HIGHWAY USERS FROM ALL PARTS OF THE COUNTRY.

BEFORE WE CONSIDER CHANGING CURRENT HIGHWAY FORMULAS, LOWERING CURRENT OR TRADITIONAL REVENUES TO SOME STATES, AND RAISING REVENUES TO OTHERS, CONSIDERATION SHOULD BE GIVEN TO LOCAL TAXING EFFORTS AND THE ABILITY TO GENERATE REVENUE AT THE LOCAL LEVEL.

THERE IS AN OLD SAYING THAT GOES, "IF IT AIN'T BROKE, DON'T TRY AND FIX IT." THE EXISTING HIGHWAY PROGRAM IS WORKING. THE CONTINUATION OF THE CURRENT FEDERAL HIGHWAY PROGRAM IS ESSENTIAL TO THE FUTURE OF RURAL TRANSPORTATION SYSTEMS. THIS WORKING RELATIONSHIP HAS BEEN VERY SUCCESSFUL IN THE PAST AND SHOULD CONTINUE IN THE FUTURE.

TESTIMONY PRESENTED AT THE HEARING OF THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE ON TUESDAY, AUGUST 22, 1989 AT THE CITY COUNCIL CHAMBERS IDAHO FALLS, IDAHO

REMARKS BY
MR. CHARLES L. MILLER
DIRECTOR OF THE
ARIZONA DEPARTMENT OF TRANSPORTATION

Good afternoon. My name is Charles L. Miller. I am the Director of the Arizona Department of Transportation and the Chairman of the American Association of State Highway and Transportation Officials (AASHTO's) Task Force on a Consensus Transportation Program. I am pleased to be with you this afternoon and I applaud you for hosting this hearing on one of the most significant issues facing America today -transportation infrastructure.

THE AASHTO TASK FORCE PERSPECTIVE

First this afternoon, let me speak as the Chairman of the AASHTO Task Force on a Consensus Transportation Program. As you are probably already aware, the fifty states are currently involved in a consensus process for developing a new National Transportation Policy. This process, initiated by AASHTO, has been underway since February of 1987. To date, AASHTO has developed needs assessments, transportation goals, policy recommendations and general program structure alternatives.

AASHTO policy has in the past and will continue to recognize that a national commitment to transportation is vital to our nation's future. Transportation infrastructure requires a policy that involves a continued significant role for all levels of government - federal, state and local.

The needs assessment, produced by AASHTO with the assistance of the Federal Highway Administration (FHWA), was published in September of 1988 in a document titled Keeping America Moving: The Bottom Line. This publication showed that the national commitment, including federal, state and local contributions, to highway infrastructure needs to increase from its current level of nearly $70 billion per year to about $100 billion per year. While this new level would not meet every highway need, it would meet the constrained needs on all highway systems around the nation. While no official recommendation has come from AASHTO, in recent subcommittee meetings it has been pointed out that the current federal share of the national program is about 25 percent. If that share were to be maintained, about $25 billion per year would be required at the federal level. While the federal share of the national transportation needs has been greater in past decades, this share reflects the relative commitment of federal, state and local governments at the end of the 1980's. Although no decision has been made yet, AASHTO discussions to date have centered on proposing a multi-year build up of federal financing that would see the federal share begin in 1991-92 at around $17 billion and climb gradually to the $25 billion sum at the end of a multi-year act, possibly 1995-96. Obviously, a federal commitment of this size would require states and local governments to increase their commitment to transportation also. While some opportunities exist at the state and local levels to use alternative sources of funding (i.e. - sales tax, developer impact fees, tolls and private participation), the user fee concept must remain as the strong and equitable foundation of transportation infrastructure financing.

In addition to the publication of the needs assessment and funding requirements, AASHTO's goals, policy recommendations and general program structures are close to being completed. This document, to be titled Keeping America Moving: New Transportation Concepts for a New Century, will provide a recommended framework for the future national transportation program.

The major goals which AASHTO has set forth to date for consideration in the development of a national highway program are stated below.

PRESERVATION

Preservation of America's existing surface transportation system should be the primary goal of any future national transportation program since it is this system which provides the basic network upon which this nation's economic health and international vitality depend.

CONGESTION

A balanced approach to increasing capacity and reducing congestion on this nation's surface transportation system should be employed, including an appropriate mix of highways and transit, and a thoughtful application of systems management technologies and demand management techniques.

FUNDING

User and benefitter fees, set at an appropriate level to cover the economic cost of the surface transportation facilities and services provided, should be dedicated solely to the funding of transportation improvements. General fund commitments to public transportation should continue.

SAFETY

The safety of Americans, using the surface transportation facilities and services, should be preserved and enhanced through the continued national commitment to safety research, safety applications and safety projects.

ACCESS AND BALANCE

The national surface transportation system should be comprised of a balanced, integrated and coordinated network of multimodal facilities and services which provide an adequate level of access to all of the various regions of this nation.

PLANNING AND RESEARCH

This nation should continue to commit sufficient funding to transportation planning and research to ensure that established goals are met, that future options do not get precluded, and that new technologies are developed and applied to transportation infrastructure in a timely manner.

ECONOMIC VITALITY

The national surface transportation program should preserve and enhance the economic vitality of this nation by providing employment, reducing transport costs, improving freight movement productivity, revitalizing rural America, rejuvenating blighted urban areas, supporting existing land uses, attracting economic development, providing transportation for rapidly growing regions, and improving international competitiveness.

In general the AASHTO policy recommendations call for continued federal oversight of a Highway System of National Significance which would include the Interstate plus some 100,000 additional miles of major rural and urban routes. AASHTO has also made its desire known that flexibility be the keynote of federal programs on the other highways throughout the nation. AASHTO's specific policy recommendations for the federal role and programs in highways and public transportation are reflected in the following language.

SYSTEM OF NATIONAL SIGNIFICANCE

The federal role in surface transportation should focus on a system of facilities and services which are significant to the economic health and international vitality of this nation. AASHTO believes that such a system would be comprised of all of the existing Interstate Highway System and an appropriate portion of the principal arterial system as redefined and the associated bridges, as well as the public transportation facilities and services which keep this nation's major cities moving.

ISSUES OF NATIONAL SIGNIFICANCE

Beyond the focus on the Highway System of National Significance and on the major transit projects, the federal role should be to allow the states and local governments flexibility in identifying and implementing specific surface transportation solutions appropriate to the regional/local need. These solutions should also serve to address transportation issues on national significance.

The Issues of National Significance which have been identified by AASHTO include: Urban Mobility; Suburban Congestion; Rural Access; and Modal Interlinks.

Beyond focusing on "Systems" and "Issues" of National Significance to serve the urban and rural transportation needs of this nation, the preferred AASHTO federal programs would include other elements of national significance, including: planning, research, safety, emergency relief, and federal lands access. Each of these elements is critical to the proper development, implementation and preservation of mobility throughout this nation.

The preferred AASHTO federal programs previously mentioned, including: The Categorical Program for the Highway System of National Significance; The Flexible Program for Issues of National Significance; and The Allocations for Other Programs of National Significance, would have the following major characteristics.

FEDERAL/STATE PARTNERSHIP

The existing federal/state partnership has worked well over the several decades of its existence in producing one of the best national surface transportation systems in the world. Therefore, AASHTO believes that the existing federal/state partnership should be retained for the programs addressing national surface transportation needs and only slightly modified for programs addressing state and local surface transportation needs.

REDUCED CATEGORICAL RESTRICTIONS

Existing federal program categories are unduly restrictive and do not permit the states and local governments adequate flexibility to meet their unique transportation needs in the most appropriate and cost-effective manner. Furthermore, existing federal requirements for programs are unduly restrictive on the states and local governments, which merely serves to increase "red tape" and decrease efficiency without delivering corresponding improvements in levels of safety or service to the users. Therefore, AASHTO believes that fewer categories, less rigid requirements and more flexible funding should be employed for the surface transportation needs in order to facilitate the development of regionally appropriate and economically efficient transportation systems.

OTHER CHARACTERISTICS

SIMPLICITY AND STRAIGHTFORWARDNESS should be the hallmark of all federal administrative requirements associated with federal transportation programs.

FAIR, STRAIGHTFORWARD AND SIMPLE FORMULAS and equitable discretionary guidelines should be used to allocate revenues collected at the federal level to state and local units of government.

THE FEDERAL HIGHWAY TRUST FUND should be made permanent, removed from the Unified Budget Process and release from obligation limitations. All interest earned, along with existing balances beyond those providing an adequate cash flow cushion, should be released to the states and local governments to fund needed surface transportation improvements. Increased federal revenues are necessary to carry out the needs of the future Federal Surface Transportation Program.

AASHTO's goals, policy recommendations and general program structures are being shared with the U.S. Department of Transportation, the twelve member organizations comprising the Transportation Alternatives Group (TAG*) and with other interested organizations and individuals for their use in developing a consensus on a new National Transportation Policy. When the new consensus program is completed by the members of the TAG, it will be adopted in whole or in part as official AASHTO policy.

THE ARIZONA PERSPECTIVE

As Director of the Arizona Department of Transportation, I agree with the AASHTO position. I believe in the federal focus on a system which is truly of national significance in providing mobility for international commerce and national defense. I believe that such a system is in the national interest and as such should have national standards associated with it. As the Director of a Department of Transportation in a state which has great and diverse urban and rural needs, I also believe in flexibility for meeting the other transportation system needs. I know that the Tucson urbanized area is not at all like the Phoenix urbanized area. Nor are the transportation solutions for these two areas similar. I am convinced that while transportation needs are ubiquitous they also vary greatly from location to location and from state to state, let alone from urban to rural and from east to west. I am also aware of and convinced of the need for planning, research, safety, emergency relief and access to federal lands.

While I believe in the direction that AASHTO is taking, I feel constrained to make a few additional points relative to Arizona's perspective as a western, rural, bridge state.

EQUITABLE USER FEES

Equitable user fees that reflect as closely as possible the benefits derived and the wear occasioned should be levied at the federal and state levels. Arizona's roads take a beating from interstate travelers. Long miles and low volumes characterize most of our rural Interstate and non-Interstate highways. It should be remembered that keeping these links at an appropriate level of repair will require adequate and predictable funding levels like those available through the application of user fees.

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*TAG MEMBER ORGANIZATIONS: AAA, AASHTO, APTA, APWA, ATA, HUFSAM, NACO, NARC, NCSL, NGA, NLC, USCM

EQUITABLE FORMULA ALLOCATIONS

Some degree of "donor/donee" relationship is necessary at the federal level due to presence of long stretches of low volume roadways, particularly in the western states. Funds beyond those needed to ensure basic preservation of low volume roads, should generally be allocated to where the users are paying.

EQUITABLE REVENUE COMMITMENTS

If the federal government is going to increase its commitment to transportation infrastructure, which I believe it should do, then please do it in a way which gives me the best chance of seeing Arizona match your commitment. A national transportation policy and funding mechanism which provides an incentive and assistance for me to brave the political winds and wars in my state and my community to raise revenues would be ideal. I'm not exactly sure how you would devise such a mechanism, but I do know that it is sorely needed, particularly in light of the growing backlog of transportation infrastructure needs which cannot and should not be met at the federal level.

Summarizing my Arizona thoughts, it seems to me that: 1) Any increases in federal funding for highways should seek to fairly balance the costs occasioned with the revenues collected; 2) Beyond providing for the preservation of low volume roads, funding allocations should be largely determined by where the traffic is using the nation's roadway systems; and 3) Increased federal funding should be tied to incentives for states and local governments to increase their commitments to transportation.

Our national transportation policy has always included a federal role in providing transportation systems for rural America. The continued existence of the Secondary Road Plan and the Secondary funding category is evidence enough. The importance of rural America to our nation's Gross National Product, our position in the world marketplace, and our future international competitiveness should not be overlooked or under valued.

The interest shown by TAG members, U.S. Department of Transportation and Congress in developing a new national transportation policy points to the critical importance of this task to our nation. America needs a national transportation policy that will carry us into the 21st century. A strong and focused federal role in the new policy will provide the foundation upon which we as states and local governments can build. I encourage you and support you in this effort to create a new and innovative vision of what transportation in America can and should be.

Once again, thank you for coming to our region and providing us with this opportunity.

**NATIONAL
ASSOCIATION
of
COUNTIES**

*440 First St. NW, Washington, DC 20001
202/393-6226*

Statement of

The Honorable Bart Barker

County Commissioner
Salt Lake County, Utah

And

Chairman of the Transportation Steering Committee
of the National Association of Counties

On

Reauthorization of the Federal-aid Highway Program

Before the

Water Resources, Transportation, and Infrastructure Subcommittee

of the

Senate Environment and Public Works Committee

On Behalf of

The National Association of Counties

Tuesday, August 22, 1989

Idaho Falls, Idaho

Mr. Chairman:

My name is Bart Barker. I am a County Commissioner in Salt Lake County, Utah, and chairman of the *National Association of Counties* (NACo)[1] *Transportation Steering Committee.* On behalf of the Association, I want to thank you for inviting me to appear today before the **Water Resources, Transportation, and Infrastructure Subcommittee** of the **Senate Environment and Public Works Committee,** to discuss reauthorization of the Federal-aid Highway Program.

Completion of the Federal interstate highway system has driven national transportation policy for the past 30 years. A few gaps remain, but by the time the current program authorization expires our nation's interstate system will be basically completed. The resources that have supported this massive public works program may now be directed toward other national transportation priorities. *Defining the appropriate Federal role in the "post-interstate" era will be a critical process. It will affect every citizen and every level of government, and will help determine our nation's ability to compete in a global economy.*

We believe highway program reauthorization will be one of the most important pieces of legislation Congress will consider in the next decade. The National Association of Counties, or NACo, welcomes this opportunity to participate.

We have been preparing for this process for more than a year. Our Transportation Steering Committee has adopted an interim statement on the future of the Federal Surface Transportation Program. NACo has commissioned and published a report on the county highway system. We have been working closely with several other public and private organizations, known as the Transportation Alternatives Group, trying to reach a consensus on what the future program should be.

Linking America

NACo recently published *Linking America: The County Highway System.* This report is an overview of the county highway system on a state-by-state basis. We undertook this project because county officials and other interested parties have never had a place to find nationwide information on county highway and bridge finances, responsibilities and conditions. NACo has provided your Committee's staff with copies of the report and I would like to present you with your own copy at this time.

Linking America shows that counties have a significant responsibility for roads and bridges. Counties are responsible for 43.5 percent of the highway mileage and 45.4 percent of the bridges 20 feet or larger. The statistic that received the most attention in our report and from the media was that 74.8 percent of these bridges had a sufficiency rating of 80 or less and, according to Federal criteria, qualified for rehabilitation or replacement.

The first 30 pages contain a number of charts and tables summarizing the information contained in the balance of the report. I have attached two of those charts to the text of my comments. These charts, from Pages 3 and 7, combine county and township statistics.

This report addresses Federal aid on a state-by-state basis. I urge Committee members to review it with their own states in mind. I might note that, according to the report, Idaho counties receive 35 percent of the bridge funds coming into Idaho and 50 percent of the Federal Aid-Secondary funds.

A New Relationship

As this Subcommittee begins to consider what a new Federal aid highway program might look like, NACo urges you to look closely at the intergovernmental aspects of the Federal Highway Program. We believe it is time for this program to become *a true Federal-state-local program.* For too long the Federal program has been based on a relationship between the Federal Highway Administration and the 50 state departments of transportation. This works for counties in some states, but in others it is an unsatisfactory arrangement, with state DOTs ignoring the concerns and needs of county government.

NACo believes *rural access* and *congestion in urban and suburban areas* are a priority and must be dealt with in the post-interstate era. The need for this is clear. They affect our nation's economic health and quality of life. Solutions must involve the input of local government. These are issues that cannot be left to chance.

We call upon Congress to require a process in each state to ensure that local governments' needs are considered fully as priorities are established and funds allocated. We also believe the new Federal Highway Program *should not simply be a program to rebuild the interstate and primary systems.* We know that sections of the interstate system will need some Federal money, but *many other essential transportation needs must be addressed.*

Rural Needs

NACo believe Federal funding for rural highways needs to be increased substantially. Our nation's rural secondary highways have, for several decades, received the least attention of any component part of the Federal Aid System. This is ironic, since the rural farm-to-market system was the initial reason for the Federal government's involvement in a national highway program.

It is essential that rural roads be improved so they can serve better as a link to the interstate system and to various markets for agricultural, logging, mining, manufacturing, tourism and other industries. Poor roads increase the operating costs to these industries and, in turn, burden the economy, making the United States less competitive in a global marketplace. This is clearly a national concern and a national responsibility.

While basic maintenance has been, and should continue to be, a county responsibility, the Federal role in construction and rehabilitation must grow substantially. The number of trucks and other heavy equipment using these roads has been increasing. More importantly, these vehicles have become much heavier. This increases the rate of deterioration and requires substantially more investment in reconstruction to adequate standards.

The bridge program is another important rural concern. The condition of bridges in general, and county bridges in particular, should be an issue of national concern. With almost 165,000 county bridges in substandard condition, NACo strongly urges Congress to continue to the bridge program as a separate program and to increase the funding level. It is the program from which many counties currently benefit the most. The requirement that 15 to 35 percent of the funds be spent on off-system bridges at least guarantees that the states will share some of the Federal money with county government. This minimum percentage should be increased.

Urban and Suburban Mobility

County government has historically been associated with rural roads and bridges, but the reality has changed. In many areas, county government is suburban or urban government. That government is very much involved with the mobility concerns of its residents.

Salt Lake County is one of many urban and suburban counties facing serious congestion problems. More than $1.1 billion worth of transportation needs face Salt Lake County in the next five years. The $2.9 million we receive for the 127 miles of County roads on the Federal Aid-Urban system just isn't going to go very far in addressing our current and future needs.

The Federal Aid-Secondary program should be converted to a suburban/urban mobility program. The objective of this program should be to upgrade county and other local highways, or state highways where appropriate, to relieve congestion. It could also be used to build new routes to carry increasing traffic. In counties with a population of more than 200,000, the funds would be passed through to counties; in other areas, the states would administer the program in consultation with local governments and/or metropolitan planning agencies.

Mass transit is becoming a necessity in more areas. Transit should be a significant element of any new program.

Conclusion

As the new Federal transportation legislation is drafted, we urge you to include language requiring that all money in the trust fund be released as it is received, and that reserves not be allowed to accumulate. We oppose the use of motor vehicle taxes to reduce the deficit. Highway users have a right to expect these user fees to be dedicated to transportation purposes. As you consider distribution formulas, please ensure that mileage remains as an important component. Your state is among those whose counties depend on this.

Senator Symms, this concludes my statement. I would be pleased to answer any questions you may have. I thank you again for inviting me to testify.

For more information, please contact:

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National Association of Counties
440 First St. N.W.
Washington, D.C. 20001
202/393-6226

or

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Salt Lake City, Utah 84190-1000
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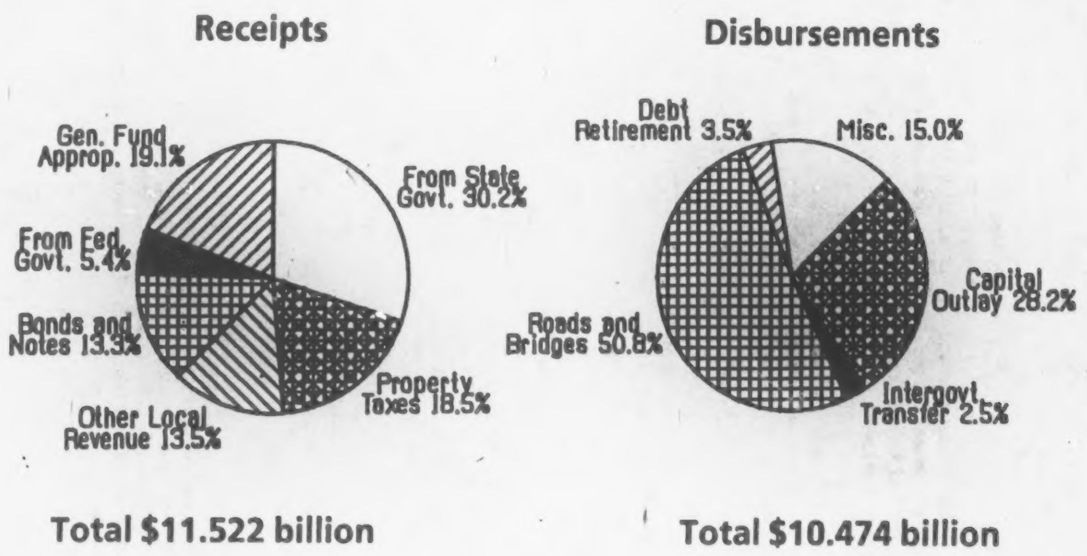
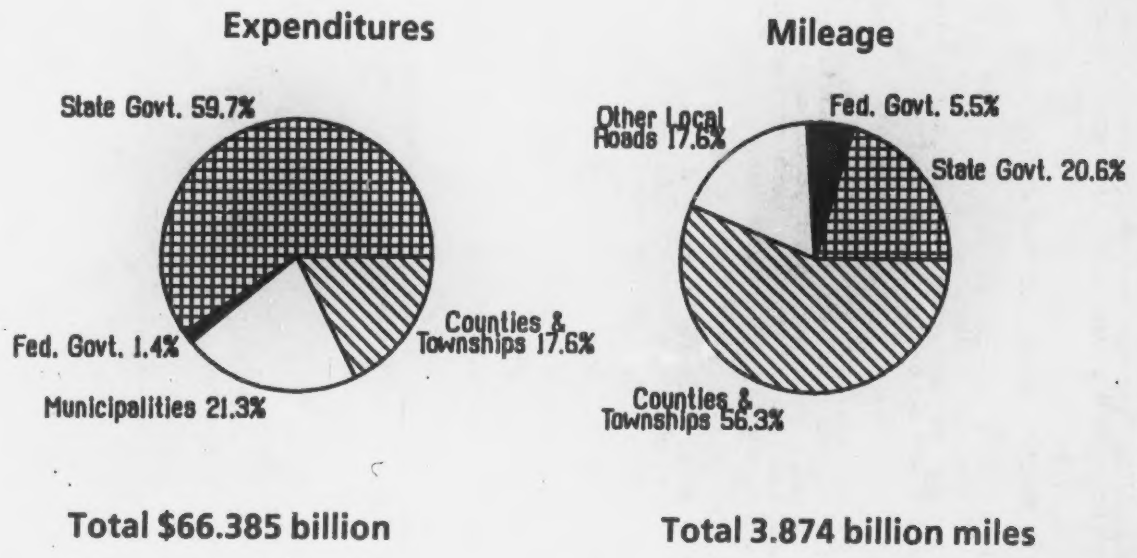
1. The National Association of Counties is the only national organization representing county government in the United States. Through its membership, urban, suburban and rural counties join together to build effective, responsive county government. NACo's goals are to improve county government; to act as a liaison between the nation's counties and other levels of government; and to achieve public understanding of the role of counties in the federal system.

Figure 1. Receipts and Disbursements by Counties and Townships, 1987



Source: U.S. Department of Transportation, Highway Statistics 1987 (Washington, D.C.: U.S. Government Printing Office, 1988), Tables LF-1, LF-2.

Figure 2. Road Expenditures and Mileage Distribution by Level of Government, 1987



Source: U.S. Department of Transportation, Highway Statistics 1987 (Washington, D.C.: U.S. Government Printing Office, 1988), Tables HF-10, HM-10.

August 22, 1989

PRESENTATION TO

PUBLIC HEARING
WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

HIGHWAY NEEDS ASSESSMENT STUDY

Good afternoon! My name is Bill Smith. I am the City Supervisor for the City of Moscow, Idaho. I am here today in two capacities. First, as chairman of the Local Highway Needs Assessment Council, and secondly, representing the Association of Idaho Cities.

In 1986, the Idaho legislature passed legislation creating the Local Highway Needs Assessment Council as an advisory body to the Idaho Transportation Department Board of Directors. Membership on this Council is limited to two members each representing Cities, Counties, Highway Districts and the Transportation Department.

Our Council is charged with the task of developing an assessment of the needs of local road and highways in Idaho.
There are three components of this study:

1. A local roads highway needs study

2. An analysis of the impact of federal operations on Idaho's roads.

3. An economic analysis of the value of having improved roads.

Once the study was defined, the team of Wilbur Smith and Associates and Bell-Walker Engineers were retained to perform the work.

HIGHWAY NEEDS STUDY

The highway needs study involved establishing a set of standards for each road classification and then developing a method of measuring the adequacy of roads in Idaho in comparison to these standards. We recognize the value of FHWA standards for new construction but we are interested in measuring to lesser standards that the public finds acceptable for the class of road being considered.

While the State has sampled each mile of its highways, we believe it unreasonable to evaluate all of the 21,000 miles of local roads. This meant that a sampling system had to be developed for the local roads. This data collection is complete and is now loaded into a computer model.

The agreed upon the unit costs of construction and maintenance for these roads have also been loaded into the computer. Other components of the needs study such as equipment conditions and jurisdictional size are underway and are in various stages of completion.

IMPACT OF FEDERAL OPERATIONS

The legislature specifically asked that the impact of exempt federal vehicles on Idaho's roads be evaluated. This data has been collected and we know how many federally owned vehicles are operated by the US Forest Service, the Bureau of Land Management and the General Services Administration motor pool. The study will report the revenue that would be received if these vehicles were licensed and paid taxes as private vehicles.

ECONOMIC ANALYSIS

We believe investing in Idaho's roads will have a measurable impact on our economy. We have selected an approach for evaluating the relationship of road construction and jobs. This information will be available with the completed study.

TIMING

This study will be completed in September with the first public presentations in October.

FUNDING

This project is being funded through the Idaho Department of Transportation with a combination of Highway users funds and Federal Planning funds.

FINDINGS

We have learned from this study that 33% of all of the highway user funds spent in Idaho come from the Federal Highway Administration. 51% of the highway revenues come from highway user fees and 16% of the revenues are derived locally primarily from property taxes and local fees.

Our study looks at all of the revenue sources available including those not used in Idaho and forecasts those that are. The most popular tax for funding roads is the gasoline tax. Idaho's 18 cents per gallon tax ranks below only seven other States. Four other western states have a tax equal to Idaho's. These States are Nevada, Colorado, South Dakota and Washington. Three western states have a higher tax. Those are Nebraska, Utah and Montana.

The tax cost of owning a vehicle in Idaho is compared to other states as well as the taxing efforts of other States are analyzed.

From these revenue analysis and from analysis of income we can make an evaluation of the public's ability to pay more for roads. We can also point out areas where taxes can be generated in the future.

The study carefully examines expenditures and as could be expected we will be seeing that the cost of maintaining our roads and streets have increased faster than revenues and that capital improvements have decreased in order to balance our budgets. In short while highway user funds have increased in Idaho they have not kept up with inflation.

Like other similar studies we expect to find that Idaho lacks adequate revenues to bring its roads up to acceptable levels. We have referred to these as tolerable limits.

We will give the Legislature a better tool to evaluate the highway taxing effort in Idaho, of adjudicating the distribution of funds in Idaho and a perception of how far behind we are in our construction and maintenance.

There isn't any conceivable way that Idaho could make up the short fall that would occur without federal highway funding. We do recognize that we are a bridge state in that thousands of motorists cross Idaho each day as they travel to their destination. We recognize that we receive more FHWA dollars back for construction than our citizens pay in and we see that trend continuing. Two thirds of Idaho is publicly held lands. We have looked at the PILT payments and find that few of them make it into our roads and highways so we know that these federal lands do not pay there fair share and yes we know that the Forest Service and BLM maintain roads that are used by the public but the issue that local governments in Idaho provide access to these properties is very much of concern.

NEW FEDERAL PROGRAM

The new federal program should continue the 4R program for the Interstate system and primary systems. This new program should also continue the bridge replacement and repair program. All of the western bridge states will be in serious trouble without FHWA help on repairs.

Continued federal funding will be necessary in Rural America for a system of farm to market roads. This would include continued funding of construction projects on functionally classed routes of arterial or above. This is important for adequacy of funding but will also continue the process of insuring construction to federal standards which is important to the public.

There should be a continued strong role of the Federal Government in research and technology and in the sharing of that technology.

There has to be a continued strong Federal role in planning, promoting and implementing Highway Safety Programs.

Finally the Federal government has proper role in developing and promoting alternative fuels for motor vehicles.

STATEMENT OF THE

CITY OF POCATELLO, PUBLIC TRANSPORTATION DEPARTMENT
Pocatello Urban Transit

FOR THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE

OF THE

ENVIRONMENT AND PUBLIC WORKS COMMITTEE

UNITED STATES SENATE

HONORABLE DANIEL PATRICK MOYNIHAN, CHAIRMAN

HONORABLE STEVE SYMMS, RANKING MINORITY MEMBER

AUGUST 22, 1989

Field Hearing
140 SOUTH CAPITAL AVENUE
IDAHO FALLS, IDAHO

STATEMENT OF THE CITY OF POCATELLO
PUBLIC TRANSPORTATION DEPARTMENT
Pocatello Urban Transit

BEFORE THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE

OF THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

THE CITY OF POCATELLO, PUBLIC TRANSPORTATION DEPARTMENT, APPRECIATES THE OPPORTUNITY TO COME BEFORE THE FIELD HEARING OF THE SENATE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE FOR THE PURPOSE OF PROVIDING A STATEMENT AND BRIEF SUMMARY OF THAT STATMENT EXPRESSING OUR VIEWS ON PUBLIC TRANSIT FROM THE SMALL OPERATORS POINT OF VIEW. WHILE WE ARE NOT HERE ON BEHALF OF THE HIGHHWAY PROGRAM, WE HAVE MUCH OF INTEREST IN THE TRANSPORTATION OF PEOPLE AND DO ENDORSE THE FEDERAL ROLE IN MAINTENANCE AND UPGRADE OF THE NATIONAL INFRASTRUCTURE.

HAVING SAID THAT, WE RECOGNIZE THAT THERE WILL BE TESTIFIERS FROM THROUGHOUT IDAHO WHO WILL HAVE ADEQUATELY REPRESENTED BEFORE THIS SUBCOMMITTEE THE FUNDING NEEDS OF HIGHWAYS IN THE CONTEXT OF THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM. OUR TASK IS TO EMPHASIZE THE PUBLIC TRANSIT NATURE OF THE TRANSPORTATION PICTURE.

IN PREPARATION FOR THIS OPPORTUNITY TO COME BEFORE THE SUBCOMMITTEE, WE FELT THE NEED TO CONSULT WITH A NUMBER OF OUR PUBLIC TRANSPORTATION COLLEAGUES IN IDAHO AND BE PREPARED IN THIS WAY TO PROVIDE USEFUL INFORMATION FOR THE SUBCOMMITTEE IN THE AREA OF REGULATIONS AND FUNDING. THIS WE HAVE DONE, AND THE TESTIMONY WE GIVE TODAY FAIRLY REFLECTS, WE BELIEVE, THE VIEWS OF THE OPERATORS OF THE SYSTEMS WE HAVE BEEN IN COMMUNICATION WITH.

IDAHO HAS A TOTAL OF SIX TRANSIT SYSTEMS OPERATING IN RURAL OR SMALL URBANIZED AREAS UNDER 50,000 POPULATION, AND TWO SYSTEMS IN URBANIZED AREAS OVER 50,000. ADDITIONALLY, THERE ARE APPROXIMATELY 65 ACTIVE SENIOR CITIZEN AND HANDICAPPED 16B2 VANS OPERATING IN APPROXIMATELY 50 COMMUNITIES THROUGHOUT IDAHO. THESE SYSTEMS AND PROGRAMS WHICH STRETCH FROM BONNERS FERRY IN THE NORTH TO MALAD IN THE SOUTHEAST, FROM SALMON IN CENTRAL IDAHO TO TWIN FALLS IN THE SOUTHWESTERN PART OF THE STATE, AND ALL THE URBAN AND RURAL AREAS IN BETWEEN, WILL CARRY AN ESTIMATED 1.9 MILLION PASSENGER BOARDINGS IN THE CURRENT CALENDAR YEAR. WE BELIEVE THAT YOU WOULD AGREE THAT THEY CONSTITUTE A BOUNTY OF MOBILITY THAT CONTRIBUTES GREATLY TO THE SOCIAL AND ECONOMIC WELL BEING OF THE STATE AND OF THE NATION.

THE STATE'S TRANSIT AND ELDERLY/HANDICAPPED TRANSPORTATION SYSTEMS PROVIDE SERVICE TO THEIR LOCALITIES ON THE BASIS OF THE UNIQUE NEEDS OF THE COMMUNITY. PUBLIC TRANSPORTATION IN BOISE WILL BE A COMBINATION OF FIXED ROUTE SERVICE AND A PROGRAM CALLED "ACCESS" FOR THE HANDICAPPED POPULATION WHILE IDAHO FALLS PROVIDES DEMAND-RESPONSIVE SERVICE AND SOME ROUTE DEVIATION

OFFERINGS AND SUN VALLEY PROVIDES FIXED ROUTE AND DEMAND RESPONSE DEPENDENT UPON THE SEASON OF THE YEAR. THESE ARE FAIRLY REPRESENTATIVE OF THE KIND OF TRANSPORTATION OFFERINGS THROUGHOUT IDAHO.

FUNDING, A POTPOURRI

IDAHO SYSTEMS RECEIVE FUNDING FOR THEIR Operations THROUGH A POTPOURRI OF SOURCES. SENIOR CITIZEN VAN OPERATIONS RECEIVE SOME LIMITED OPERATING ASSISTANCE THROUGH TITLE IIIB AND CAPITAL ASSISTANCE TO AID IN THE PURCHASE OF VANS THROUGH THE 16B2 PROGRAM. THE RURAL AND SMALLER CITY PROGRAMS ARE PRIMARILY FUNDED THROUGH SECTION 18 (ADMINISTERED BY UMTA AND COORDINATED THROUGH THE IDAHO TRANSPORTATION DEPARTMENT), WITH ADDITIONAL REVENUES, SECURED FROM LOCAL FARES, DONATIONS, AND, IN SOME CASES, WHEN THEY ARE FORTUNATE, FROM CITIES AND COUNTIES. FINALLY, THE TWO URBANIZED SYSTEMS OPERATE WITH ASSISTANCE FROM THE SECTION 9 FORMULA GRANTS ADMINISTERED BY UMTA AS WELL AS FARES, DONATIONS, AND LOCAL TAX ASSISTANCE.

IN EVERY CASE, THE FUNDING SITUATION RANGES FROM SUBSTANTIALLY INADEQUATE TO TENUOUS. ALL THE SECTION 18 SYSTEMS SUFFER FROM A SECTION 18 ALLOCATION WHICH HAS BEEN BASICALLY FLAT (APPROXIMATELY $550,000) FOR THE LAST SEVERAL YEARS. IT HAS NOT KEPT UP WITH THE INCREASE IN THE PRICE OF LABOR, FUEL, AND INSURANCE. FAREBOX REVENUE REACHES A POINT OF DIMINISHING RETURN WHEREIN IT IS DEEMED BETTER TO PUT MORE PERSONAL VEHICLES ON THE ROAD AS OPPOSED TO THE USE OF PUBLIC TRANSPORTATION; LOCAL COMMUNITIES ALSO HAVE THEIR VERY CONSIDERABLE FINANCIAL PROBLEMS

WITH THE TAX LIMITATIONS LAW IN IDAHO. THE CONSTANT, BUT NOT GENERALLY INCREASED LEVEL, OF SECTION 18 FUNDING MAKES IT VERY DIFFICULT TO START SERVICE IN MANY OF IDAHO'S SMALLER COMMUNITIES, SUCH AS MOUNTAIN HOME, BLACKFOOT, SANDPOINT--AND OTHERS--BECAUSE THE CURRENT SECTION 18 FUNDING IS HARDLY ADEQUATE TO ASSIST THE EXISTING SYSTEMS.

SECTION 9 FORMULA ASSISTANCE FOR POCATELLO AND BOISE IS COORDINATED WITH LOCAL TAX DOLLARS. AMONG THE DIFFICULTIES IN BOISE, FROM THE FEDERAL FUNDING STANDPOINT, IS THE INADEQUACY OF THE CAPITAL FUNDING AVAILABLE. POCATELLO, WHICH HAS JUST BEGUN TO BE ABLE TO REPLACE ITS BUSES WITH CURRENT MODELS, HAVING HERETOFORE OPERATED VEHICLES UP TO THIRTY YEARS OLD, WILL SOON RUN INTO THE SAME PROBLEM AND HAS DONE SO IN TERMS OF FUTURE PLANS TO BUILD A TRANSIT OPERATIONS FACILITY.

SECTION 3, A PART OF THE SOLUTION

BOISE HAS A PROGRAM CURRENTLY IN PLACE WHEREIN IT WILL TAKE 32 YEARS TO REPLACE ITS FLEET--THE PROBLEM: THE LEVEL OF FEDERAL FUNDING FOR CAPITAL BUS REPLACEMENTS. THE STATE OF IDAHO IS ADMINISTERING THE SECTION 18 PROGRAMS THROUGHOUT THE STATE, BUT A GREAT NUMBER OF THE CAPITAL BUS AND VAN REPLACEMENTS WHICH OCCUR, WHEN THEY OCCUR, HAVE TO BE ASSISTED THROUGH 16B2--THE PROBLEM: THE LEVEL OF SECTION 18 FUNDING AVAILABLE FOR STATEWIDE PURPOSES IS HARDLY ADEQUATE FOR OPERATIONS LET ALONE CAPITAL. POCATELLO IN THE NEXT FIVE YEARS WILL WANT TO BUILD A TRANSIT FACILITY--THE LIKELY PROBLEM: A CHOICE TO BE MADE BETWEEN FLEET ADEQUACY AND FACILITIES BECAUSE SECTION 9 IS LIMITED.

WHERE TO GO IN THIS CLIMATE OF HUGE DEFICITS AND A SECTION 9 PROGRAM THAT HAS DECREASED DRAMATICALLY IN REAL TERMS SINCE 1981? WE SUGGEST THE EXPANSION OF THE BLENDING OF SOME, IF NOT ALL, OF THE SECTION 3 MASS TRANSIT ACCOUNT TO THE FORMULA APPROACH. THIS RECOMMENDATION IS BASED ON THE ASSUMPTION THAT THE SECTION 9 FORMULA DOLLARS NOT BE REDUCED FROM THE CURRENT LEVEL BUT THAT ADDITIONAL CAPITAL FUNDS BE ADDED THROUGH THE MECHANISM OF THE MASS TRANSPORTATION ACCOUNT. IT IS A FACT THAT CURRENTLY THE BUS AND BUS-RELATED COMPONENT OF THE SECTION 3 IS TOO SMALL. ONLY 10% OF THE TOTAL OF THE SECTION 3 ACCOUNT IS AVAILABLE FOR THIS PURPOSE AND THAT FOR EXTRAORDINARY AND ONE-TIME CAPITAL NEEDS. IT IS CLEAR THAT THERE IS AN INEQUITY WHEN WE OBSERVE THAT 85 TO 90% OF THE CAPITAL AVAILABLE IN THIS PROGRAM THAT IS FUNDED THROUGH THE USER TAX IS AVAILABLE ONLY FOR RAIL MODERNIZATION AND GRANTS FOR CONSTRUCTION OF NEW FIXED GUIDEWAY TRANSIT SYSTEMS AND EXPANSION OF OLDER ONES. OUR INFORMATION INDICATES THAT IN A THREE YEAR PERIOD ENDING IN 1987, NINE STATES RECEIVED 81% OF THE SECTION 3 GRANTS; THESE STATES PAID 36% IN USERS FEES. THIS MEANS THAT THE OTHER 41 STATES PAID 64% OF THE USER FEES BUT RECEIVED LITTLE TO NOTHING FOR BUS OR BUS RELATED CAPITAL NEEDS OR FOR FACILITIES CONSTRUCTION. SOMETHING ON THE ORDER OF BLENDING WITH A MINIMUM ALLOCATION WOULD SEEM TO BE IN ORDER.

THE CONTINUANCE OF OPERATING/CAPITAL ASSISTANCE

OUR BROADLY DEFINED DISCUSSION OF THE FINANCIAL CONCERNS OF IDAHO TRANSIT PROVIDERS, MAKES IT ABUNDANTLY CLEAR THAT ALL BUT PERHAPS ONE OR TWO OF THESE SYSTEMS WOULD CEASE OPERATIONS IF THE

PARTNERSHIP BETWEEN THE FEDERAL GOVERNMENT AND LOCAL GOVERNMENTS AND THEIR RESPECTIVE TRANSIT SYSTEMS WERE TO BE DISSOLVED. IT IS CRITICAL THAT THE FUNDING OF OPERATIONS FOR SMALL SYSTEMS REMAIN, AND, IF AT ALL POSSIBLE, THAT FEDERAL ASSISTANCE NOT BE GREATLY REDUCED.

ALONG THESE SAME LINES, IT IS ESSENTIAL THAT THE LOCAL MATCHING REQUIREMENTS FOR CAPITAL ACQUISITIONS UNDER THE SECTION 9, SECTION 18, AND 16B2, PROGRAMS NOT BE RAISED ABOVE THE CURRENT LEVEL OF 20% SHARE. THE DIFFICULTIES THAT NOW EXIST IN FUNDING THE LOCAL SHARE SHOULD BE SEEN AS A SUFFICIENT INDICATOR OF THE DIFFICULTY IN BUS AND VAN REPLACEMENT IF THAT EQUATION WERE TO CHANGE. IT IS VALUEABLE TO NOTE THAT THE FEDERAL ADMINISTRATIONS THROUGH THE LAST EIGHT AND ONE-HALF YEARS HAVE PROPOSED THE INCREASE IN CAPITAL MATCH REQUIREMENTS TO 50% LOCAL SHARE. IN TERMS OF THE MASS TRANSPORTATION ACCOUNT, SECRETARY SKINNER RECENTLY INITIATED A PROGRAM THAT GIVES SOME FAVORABLE TREATMENT TO SYSTEMS THAT OVERMATCH THE LOCAL REQUIREMENTS (IN TERMS OF SECTION 3, THIS IS CURRENTLY SET BY STATUTE AT 25% LOCAL SHARE). WHILE WE DO NOT PRESUME TO DISPUTE THE VALUE OF OVERMATCH, PARTICULARLY AS IT TOUCHES HUGE PROJECTS REPRESENTING MILLIONS OF DOLLARS, WE VIEW WITH GREAT CONCERN, EVEN ALARM, ANY SUGGESTION OR TRENDS TOWARD THAT SAME TREATMENT IN REGARD TO SMALL CITY AND RURAL TRANSIT SYSTEMS.

"ONE SIZE FITS ALL"

REFLECTION ON THE PROBLEM OF MATCHING REQUIREMENTS AND THE PROGRAM FOR OVERMATCH, THAT MAY LEND THEMSELVES TO AND BE

APPROPRIATE FOR THE GREAT CITIES OF THIS COUNTRY, LEADS US QUITE NATURALLY TO EXPRESS CONCERN ABOUT THE APPARENT LACK OF SENSITIVITY FOR THE PROBLEMS OF SMALL CITY AND RURAL SYSTEMS. AS SMALL CITIES AND THE RURAL ENVIRONMENT IS DIFFERENT SO ARE SMALL PROPERTIES. REGULATIONS THAT ARE QUITE MANAGEABLE IN SYSTEMS WITH A BUREAUCRAT IN EVERY CORNER ARE NOT AT ALL AS EASY TO DEAL WITH IN IDAHO FALLS, IDAHO WHERE THE TRANSIT MANAGER IS THE BEGINNING AND END OF MANAGEMENT IN A SYSTEM THAT OPERATES SIXTEEN BUSES DAILY.

HAVING MADE THESE OBSERVATIONS, WE REMAIN IN FAVOR OF THE CONTINUED MANAGEMENT OF THE SECTION 9 FORMULA GRANTS BY THE URBAN MASS TRANSPORTATION ADMINISTRATION. BY AND LARGE, WE ARE VERY PLEASED WITH UMTA'S PARTNERSHIP WITH US AND HAVE PARTICULARLY NOTED THE RESPONSIVENESS AND PROFESSIONALISM OF REGION TEN IN SEATTLE. INDEED, WE HAVE A CONCERN, THAT THERE IS A MOVE AFOOT TO TURN MORE OF THE SMALL CITY SECTION 9 MANAGEMENT OVER TO THE STATES. CURRENTLY, UMTA PERMITS THE STATE'S TO SET OPERATING CAPS FOR THE PROPERTIES WITHIN THEIR JURISDICTIONS THAT ARE IN CITIES OF LESS THAN 200,000 PEOPLE. THIS TREND IS TROUBLING. THIS APPROACH IS NOT IN THE THE BEST INTEREST OF THE SMALL URBANIZED SECTION 9 SYSTEMS IN THE STATE AND IT IS QUESTIONABLE, IN OUR MINDS, WHETHER THE STATE WOULD EVEN BE INTERESTED IN PARTICIPATING IN THE ADMINISTRATION OF THE AFOREMENTIONED SECTION 9 PROGRAMS. LIKE IT OR NOT, A BIAS TOWARD HIGHWAYS AND HIGHWAY CONSTRUCTION EXISTS IN THE RURAL STATES, THUS WE ARE COMFORTABLE WITH THE EXISTING STRUCTURE AND ENDORSE IT FOR THE REASONS GIVEN

AS WELL AS FOR THE AVOIDANCE OF INCREASED BUREAUCRACY AND DUPLICATION.

DRUG TESTING AND THE COMMERCIAL DRIVER'S LICENSE

FUNDING DOES NOT, BY ANY MEANS, ALWAYS FOLLOW REGULATIONS. THIS IS PARTICULARLY APPARENT IN TERMS OF THE DRUG TESTING AND COMMERCIAL DRIVER'S LICENSE REGULATIONS THAT ARE BEING INSTITUTED BY THE DEPARTMENT OF TRANSPORTATION. OUR DISCUSSIONS IN IDAHO REVEAL THAT NONE OF THE TRANSIT SYSTEMS ARE OPPOSED TO EITHER CONCEPT--ESPECIALLY THE DRUG TESTING PROGRAM. ALL RECOGNIZE THAT THERE IS NEED TO GUARANTEE TO THE RIDING PUBLIC THAT THE OPERATOR OF THE PUBLIC TRANSPORTATION CONVEYANCE IS FULLY ALERT AND, IN THE CASE, OF THE UNIFORM DRIVER'S LICENSE, THAT HE/SHE HAS MET THE STANDARDS FOR DRIVER PERFORMANCE AND HAS NOT HIDDEN BEHIND ANY SUBTERFUGE IN GAINING HIS/HER EMPLOYMENT.

THE FINANCIAL IMPACT OF THESE REGULATIONS WILL BE CONSIDERABLE. THE IMPLEMENTATION OF DRUG PROGRAM AND THE UNIFORM DRIVER'S LICENSE REGULATION HAVE NOT ADDRESSED THESE CONCERNS, AND HAVE NOT PROVIDED ANY ASSISTANCE. THE DRUG PROGRAM CALLS FOR SECURED SELECTION SITES, CERTIFIED MEDICAL REVIEW OFFICERS, AND OTHER VERY STRINGENT, TIME CONSUMING, AND EXPENSIVE PROCEDURES. RURAL SYSTEMS IN IDAHO, OF UNDER TEN BUSES, COULD WELL COLLAPSE FROM THIS EXPENSE. SYSTEMS SUCH AS POCATELLO AND BOISE ARE GREATLY CONCERNED ABOUT COSTS.

SECTION 18 PROVIDERS HAVE SUGGESTED AN ALTERNATIVE FOR PROPERTIES OPERATING FEWER THAN TEN BUSES WHEREIN THEY WOULD BE ALLOWED TO FOLLOW COLLECTION AND TESTING PROCEDURES WITHOUT THE

STRICT UMTA CHAIN-OF-CUSTODY REQUIREMENTS USING WHATEVER MEDICAL FACILITY OR LAB IS AVAILABLE LOCALLY. EVERY REASONABLE PRECAUTION IN COLLECTION WOULD BE EXERCISED. WOULD THIS NOT BE A REALISTIC WAY TO APPROACH THE PROBLEM AND ONE WAY WHICH ACKNOWLEDGES THAT "ONE SIZE DOES NOT FIT ALL."

IN TERMS OF SECTION 9 SYSTEMS, WE ALSO SUGGEST THAT THESE ONEROUS DRUG TESTING RULES BE REVIEWED WITH AN EYE TOWARD THE PRACTICAL IN TERMS OF OF THE CHAIN-OF-CUSTODY REQUIREMENTS FOR SYSTEMS IN CITIES UNDER 200,000 POPULATION. SHOULD THERE BE NO HELP THAT CAN BE GIVEN IN MITIGATING THESE SIGNIFICANT REQUIREMENTS, THEN WE RECOMMEND THAT THERE BE FUNDING PROVIDED TO ASSIST THEIR IMPLEMENTATION. THE COMMERCIAL DRIVER'S LICENSE REQUIREMENT IS ALSO AN AREA OF INCREASED TIME AND EXPENSE AND WE RECOMMEND THAT THE REGULATORY BODY WHICH MANDATES IT ALSO FIND A METHOD TO ASSIST THE PROPERTIES TO PAY THE BILLS FOR THE IMPLEMENTATION OF THE FEDERAL POLICY.

RURAL TRANSPORTATION ASSISTANCE PROGRAM

RURAL PROGRAMS THROUGHOUT IDAHO ARE GAINING A CONSIDERABLE BENEFIT FROM THE RURAL TRANSPORTATION ASSISTANCE PROGRAM (RTAP). THIS PROGRAM, THROUGH A SMALL ANNUAL ALLOCATION OF $60,000 IS HELPING TO GIVE BADLY NEEDED TRAINING AND RESOURCES TO SMALL URBAN AND RURAL SYSTEM IN THE STATE. IT FURTHER HELPS IN EDUCATING THE PUBLIC ABOUT THE PUBLIC TRANSPORTATION ALTERNATIVE. THIS WORTHWHILE PROGRAM FOR UPGRADING RURAL TRANSPORTATION DELIVERY SYSTEMS IS BEING FULLY UTILIZED IN IDAHO AND WE ENCOURAGE CONTINUED FUNDING FOR IT.

CONCLUSION

THE SUMMARY OF OUR TESTIMONY BEFORE THE SUBCOMMITTEE IS THAT PUBLIC TRANSPORTATION IS A VITAL ISSUE FOR THE SMALL CITIES UNDER 200,000 POPULATION AS WELL AS FOR THE THE SMALL URBAN AND RURAL AREAS OF IDAHO. IT IS VITAL ECONOMICALLY, SOCIALLY, AND, IN A NUMBER OF AREAS WE HAVE NOT ADDRESSED, INCLUDING CLEAN AIR AND TRAFFIC MANAGEMENT.

BY WAY OF CONCLUSION WE EMPHASIZE THESE POINTS TO THE SUB COMMITTEE:

--WE NEED A COSTANT POLICY AT THE NATIONAL LEVEL THAT DOES RECOGNIZE THAT PUBLIC TRANSPORTATION, URBAN AND RURAL, IS A NATIONAL NOT JUST A LOCAL ASSET.

--WE RECOMMEND, AS THIS SUBCOMMITTE PROVIDES IMPUT TO AND OVERSIGHT FOR THE FEDERAL ASPECT OF THESE PROGRAMS, THAT THE SUBCOMMITTEE BE AWARE THAT THE TREATMENT OF SMALL SYSTEMS AND GREAT URBAN CENTERS WILL NECESSARILY HAVE TO BE DIFFERENT.

--WE ENCOURAGE A CLOSE LOOK AT THE POSSIBILITY OF UTILIZATION OF THE MASS TRANSIT ACCOUNT, SECTION 3, FOR THE BENEFIT OF ALL SYSTEMS LARGE AND SMALL BY INCORPORATING IT INTO THE FORMULA GRANT PROGRAM.

--WE ENDORSE A CLOSER SCRUTINY OF THE RIGORS AND COST BURDENS OF THE DRUG TESTING REGULATIONS NOW BEING PUT INTO PLACE AS THEY APPLY TO SECTION 18 AND SECTION 9 PROGRAMS.

--WE SUPPORT THE CONTINUED MANAGEMENT OF THE SECTION 9 PROGRAMS BY UMTA AND NOT AT THE STATE LEVEL.

--WE ENCOURAGE THE SUBCOMMITTEE'S SUPPORT FOR THE CONTINUANCE, INSOFAR AS POSSIBLE, OF THE CURRENT LEVELS OF FUNDING FOR SECTION 9, SECTION 18, AND 16B2.

--WE REQUEST THAT THERE BE NO DIMINUTION OF THE FEDERAL COMMITMENT TO, OR SHARE OF, THE CAPITAL COST OF BUS AND BUS REPLACEMENT ACTIVITIES OR TRANSIT FACILITIES.

THE CITY OF POCATELLO THANKS THE WATER RESOURCES TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE OF THE ENVIRONMENT AND PUBLIC WORKS COMMITTEE OF THE SENATE FOR THE OPPORTUNITY OF PROVIDING THIS STATEMENT FOR THE RECORD OF THE SUBCOMMITTEE. WE HAVE MADE AN EFFORT TO PROVIDE A BROAD PICTURE OF TRANSIT IN IDAHO, BUT WE TAKE FULL RESPONSIBILITY FOR THE VIEWS EXPRESSED IN OUR STATEMENT.

STATEMENT OF
JOHN V. LUPIS, DIRECTOR OF ENGINEERING, INTERMOUNTAIN REGION
FOREST SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE

Before the
Subcommittee on Water Resources, Transportation and Infrastructure
Committee on Environment and Public Works
United States Senate

Idaho Falls, Idaho
August 22, 1989

Concerning Transportation Needs in Rural America
Highway Needs on Federal Lands
and
Highway Needs for Agriculture

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for this opportunity to share the Department of Agriculture's views concerning transportation needs-with you today.

The National Forest System contains 191 million acres of forest and rangeland in 45 states. In 1988, these lands provided more than 242 million visitor days of recreation use, more than double that provided by any other Agency. National Forests are the primary source of high-quality water for vast areas of the country, particularly in the West; they are the home for over 50 percent of the big game animals and freshwater fish in this country; National Forests are a major source of commercial timber with over 11.0 billion board feet harvested annually, supplying about 25 percent of the wood products used in the United States. They also provided almost 10 million animal months of grazing, and generated 181 million dollars of revenue from minerals, oil and gas. Total National Forest System revenues were more than

1.5 billion dollars in 1988. The natural resources of these lands are among the Nation's greatest assets; they affect the economic, environmental, recreational, and social well-being of all Americans. Demographic, economic, and social trends indicate that the demand for public land and water resources is increasing at a rapid pace. More people are pursuing a wider range of activities on public lands than ever before. Most Americans live within one day's drive of a National Forest.

Over 95 percent of all these activities depend on roads. Road management and development is an integral part of managing National Forest lands. The existing National Forest transportation system includes over 355,000 miles of road and 11,000 bridges and has an estimated asset value of $19 billion. Only about 5 percent of this system is "2-lane" roads. The balance, for the most part, consists of low-volume, single lane roads with either gravel or a native material surface. Most of these roads do not approach the standard of the average county road. Consistent with the need to reduce the Federal deficit and meet the demands of competing priorities, we are currently spending about $160 million annually to maintain the existing National Forest development road system. This represents about eight-tenths of 1 percent of the total asset value. Studies indicate that the most cost-effective maintenance program over the long-run for a low-volume road system is between 1 and 2 percent of replacement cost. This level of funding results in about 50 percent of the system being maintained to a standard adequate to support existing traffic demands. Accelerated reconstruction could offset the current deferred maintenance to accommodate future traffic demands.

As a way of providing some background on the level and magnitude of the Forest Service interests in this geographical area, I would like to share some information about current and future programs within the State of Idaho.

There are 10 National Forests headquartered in Idaho. National Forest System land totals about 20.5 million acres and is 38 percent of the land area of Idaho.

35 of 44 counties in Idaho contain National Forest System Lands.

National Forests within Idaho contribute a wide variety of resources including 24 million Recreation Visitor Days, one million Animal Unit Months (AUM's) of grazing and 860 million board feet of timber.

Activities on the National Forests provide a major contribution to Idaho's economy. The continued flow of goods and services from National Forest System lands can only be obtained by building and maintaining an effective transportation system.

We believe an effective transportation system consisting of State highways, County roads and Forest Development Roads is essential in helping the Forest Service protect, utilize and administer National Forest System lands and resources.

Critical Role of Transportation System Elements

The public road system which consists of State and County roads provides mobility to get Forest users from their homes to the Forest, and links Forest resources to manufacturing and milling sites. Public roads serve all segments of society, and are funded by the Highway Trust Fund, and State and local taxes. Forest Development Roads, on the other hand, are roads administered by the Forest Service for the protection, utilization, and administration of National Forest lands and resources. Technically, Forest Development Roads are not "public roads" but most are open for public access to the National Forests. These roads provide access necessary to move people and resources within the Forest and connect to the public road system. Forest Development roads are funded through Forest Service appropriations that are in support of resource programs. Each of these systems is unique in terms of traffic service, functional class, availability and sources of funding, and basic condition.

The transportation system is often likened to the parts of a tree. The tree's trunk is represented by State Highways, limbs are County roads, and twigs are Forest Development Roads. An interesting question is, "Which segment of the system is most important?" Similar to the tree, obviously the answer is they are all important. Forests users and Forest commodities rely on an interconnected network of roads.

Future transportation needs, from a Forest Service perspective, are determined from the requirements of future resource programs as outlined in Forest Plans. These Forest Plans call for a mix of products and uses such as, recreation, timber, grazing, minerals, and wildlife, and protection of soil, air, and water resources. Transportation emphasis is to construct, maintain and manage a safe, efficient, and economical transportation system to meet these resource and public needs.

Growth in National Forest traffic demand will continue to occur as the population increases and people have more leisure time. Current trends show a shift in age distribution to a mature, more affluent user, with more time to participate in outdoor recreation. The Forest Service is already experiencing greater numbers of larger recreation vehicles driven by people who often lack the experience to fully cope with mountainous driving conditions. These Forest users are expecting more comfort and convenience from both the public road and Forest Development Road system.

A major portion of the public roads and Forest Development Roads are already in existence. Many of these roads were originally developed on the easiest construction alignments and grades that topography would allow. In the mountains, most routes were located along streams in the bottom of canyons. Often, the roads followed early day Indian, trapper, or gold miner trade routes. Many roads were originally constructed to a width and alignment more suited to lower volumes of smaller, lighter vehicles. With annual funding of about $160 million, these roads are being maintained and reconstructed but the current rate of improvement is not keeping pace with deterioration or anticipated traffic demand. Such features as surface condition, width, alignment and grade are frequently inadequate even for current traffic needs.

Federal Lands Highway Program

Two Federal Lands Highway Programs currently provide funding for construction and reconstruction of State and County roads important to the Forest Service. These are the Forest Highway program and the Public Lands Highway program. Forest Highways are public roads that serve National Forest lands and their renewable resources, while Public Lands Highways are Federal Aid System roads that pass through Federal lands.

Forest Highways have been funded since 1916. In 1982, Forest Highways were included under the Federal Lands Highways Program. The Surface Transportation Act of 1987 authorized $55 million for Forest Highways and $40 million for Public Lands Highways.

Forest Highways carry both public and National Forest-related traffic. The total estimated vehicle miles traveled on these routes is 1.6 billion of which 560 million is National Forest-related. Sixty-six percent of the National Forest traffic is related to recreation, 31 percent to timber production, and the balance to range use, minerals, and miscellaneous activities.

Combined, the Forest Highway and Public Lands Highway funds make a significant contribution to improving public roads important to the management and use of the National Forest. We strongly support the continuance of these important programs, as they now exist.

Emergency Relief Program for Federally Owned Roads

Another critical program to us is the Emergency Relief Program for Federally Owned Roads, or "ERFO." Because the 191 million acres of National Forest lands are scattered from Alaska to Puerto Rico, our 355,000-mile road system --along with the 25,000 miles of Forest Highways--is particularly vulnerable to damage. Each year, a major event of some kind occurs somewhere on National Forest land--resulting in an average of over $9 million of damage. The ERFO program permits immediate repair without disrupting ongoing Agency programs. Serious natural resource program shortfalls would occur without this vital program.

In Summary:

1. Our National Forests System Lands will continue to provide goods and services to our forest users, but this is only possible with an effective transportation system. This requires a continuing commitment to all segments of the rural road system, including Forest Development Roads, County roads, and State highways.

2. Consistent with the need to reduce the Federal deficit and meet the demand for competing priorities, annual funds will most likely be used for reconstruction of the existing roads to meet projected traffic demands and to protect resources.

3. Both the Federal Lands Highway Program and the Emergency Relief Program for Federally Owned Roads have been and will continue to be important to accomplishing the agency mission. Future funding requirements to meet construction, reconstruction and maintenance needs will be addressed in the course of the Fiscal Year 1991 budget process.

I would be pleased to answer questions or provide additional information.

STATEMENT OF DUANE F. THOMPSON, SUPERINTENDENT, FORT HALL AGENCY, BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE OF THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, CONCERNING THE REAUTHORIZATION IF THE FEDERAL-AID HIGHWAY PROGRAM.

AUGUST 22, 1989

IDAHO FALLS, IDAHO

Mr. Chairman, I appreciate this opportunity to appear before you today to discuss the reauthorization of the Federal-aid Highway Program pursuant to the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Before presenting my testimony, Mr. Chairman, I should point out that neither the Department nor the Administration has taken an official position on reauthorization of this Program. The Administration's position will be influenced by the National Transportation Policy now being developed by the Department of Transportation.Therefore, my testimony will be of an informational nature.

The Division of Transportation of the Bureau of Indian Affairs (BIA) is responsible for management and coordination of transportation programs serving Indian reservations. The Division has direct responsibility for 21,000 miles of public roads that the BIA maintains, and for the construction and reconstruction of those roads. The BIA coordinates this program with those of the States and counties, who have another 28,000 miles of Indian public roads, and with non-road Indian transportation programs. The non-road programs include bus transit systems, driver education in the schools, enforcement of traffic codes, impaired driver programs, accident reporting and statistics, airport construction and maintenance, railroad short lines and spurs, low volume road research, and technology implementation.

Coordination of BIA programs with other transportation programs is accomplished through participation in industry and professional organizations, advice and technical assistance to Indian tribal governments, inter-governmental agreements, and policy recommendations to the Office of the Secretary of the Interior.

The BIA is committed to providing safe and accessible roads on Indian lands to aid in the educational, social, and economic developments of Indians. Funding is provided through annual appropriations for roads maintenance and road sealing . Approximately $30 million was requested to support these activities in FY 1990. In addition, $80 million in contract authority is provided through the Highway Trust Fund of the Federal-aid Highway Program for road construction.

Mr. Chairman, thank you for the opportunity to provide testimony at this hearing today. I will be pleased to respond to your questions at this time.

BRIEFING/FACT SHEET

For Answering Questions Concerning
Bureau of Indian Affairs Road Construction
By the Senate Subcommittee on Water Resources,
Transportation and Infrastructure

AUTHORIZATION AND MANAGEMENT

Title 23 U.S.C. 202 requires that projects for Indian Reservation Road (IRR) construction shall be managed in accordance with the same uniform policies as Federal-aid projects. Road construction projects are funded through the Highway Trust Fund (HTF) and are selected by the tribes with the concurrence of the Bureau of Indian Affairs (BIA) and the Federal Highway Administration (FHWA). A national formula is used for the distribution and allocation of IRR funds based on relative need. Revision of that formula is now under study and a decision is expected early next year.

Project funds are included in contract authority from the HTF of the Federal Lands Highway Program, Department of Transportation, and are not included in the Bureau's budget. The Bureau finances all costs of the Indian Road Construction Program through the HTF contract authority. It includes funds for Central Office program management and for program supervision by the Area/Agency Offices, not to exceed five percent of the total contract authority allocation. The limit was proposed to be seven percent in the FY 1990 budget, and Congress has proposed the six percent level.

FUNDING

Current authorizations are for the five-year period 1987-91. The IRR funding was $75 million in 1983, $100 million annually in 1984-86 and reduced to $80 million annually in 1987-91.

BIA and other Federal road agencies presently are not eligible to receive funding for replacement of bridges under the Highway Bridge Replacement and Rehabilitation program. Consideration could also be given to a New Bridges program for communities which are isolated because a bridge never has been built. Examples are Birdsprings, near Winslow, AZ; Ft. Yates and Twin Buttes, ND; and Houlton Maliseet in Maine.

The need for funds to preserve the present level of service on BIA roads is estimated at $85 million annually. The total cost to improve the system to the suggested level is $3.5 billion. The cost to improve, in a 35-year program to the needed standards would be $100 million annually, for a total of $185 million annually.

	Preservation Cost $Million	Improvement Cost $Million	Annual Program $Million
20-year Program	85	175	260
25-year Program	85	140	225
30-year Program	85	117	202
35-year Program	85	100	185
40-year Program	85	88	173
50-year Program	85	70	155

A recent addition to the backlog estimate is the improvement of inadequate streets built with HUD funds in Indian housing projects. Additional funds are needed to rebuild those streets that are beyond repair. The total estimate of this backlog is $198 million, which is included in the total $3.5 billion needs estimate.

FORCE ACCOUNT AND EQUIPMENT POOLS

In addition to awarding road construction contracts to private contractors, the Bureau operates a road construction equipment pool to undertake projects in isolated or high cost areas, where a "Force Account" operation with Federal employees as operators and laborers is more economical than private contracting. Our Force Account operations hire a much higher percentage of Indians than the contractors hire. The equipment pool is financed by a revolving fund which collects equipment rentals charged to projects funded from the HTF and from other Bureau programs. Federal cost principles currently permit the Bureau to establish equipment rental rates based on actual direct and indirect operating costs and include an allowance for depreciation. The equipment may be rented for road maintenance and other related BIA programs, as well as Force Account construction.

CURRENT BUDGET

The Surface Transportation and Uniform Relocation Act (STURA) of 1987 authorized a five-year program of $80M annually, of which $2.4M is within the Central Office and the balance available for use by the field offices. As of July 31, 1989, 99.8 percent of available funds for project and supervisory activities for FY 1989 have been committed, and 75 percent obligated.

BIA ROAD ORGANIZATION

The Division of Transportation provides technical direction, funds distribution, program review for efficiency and for conformance to policy, and consultation with the Federal Highway Administration.

Areas and Agencies are responsible for road design, project development, tribal consultation, program management, project monitoring, Force Account construction, contracting, and program coordination with other agencies. Tribal government establish project priorities.

1. **AFTER-INTERSTATE PROGRAM**

   For FY 1992 and beyond, we are joining the industry, state highway departments and road users in trying to achieve consensus on an after-Interstate construction program. Hearings have been held in every state. We held one for Indian Tribes in Denver in October 1987. The BIA participates as a Federal Associate Member of the American Association of State Highway and Transportation Officials (AASHTO).

2. Federal, State and local government roles in the post-Interstate era. BIA will provide technical assistance to the tribal governments to enhance and assure their involvement as local governments with road responsibilities and authority. We confidently expect an increased atmosphere of cooperation between the governmental levels and between the Indian and non-Indian local governments.

3. The level of highway revenues is not an appropriate matter for comment. We will make the most efficient use possible of the level Congress chooses.

4. Apportionment formulas within BIA will be in accordance with the relative need of the various Indian reservations for road construction. A final report was recently received on a contracted study, and a formula will be decided upon early next year.

5. BIA uses the same design standards as those on the Federal-aid system. We participate in discussion of these standards in the AASHTO as a Federal Associate Member.

6. Most Indian Reservations are rural, but exceptions exist at Albuquerque, Duluth, Phoenix and Palm Springs. We must be alert to both types of needs, as well as inter-city and other transportation needs.

7. Highway needs on the Federal lands held in trust for Indian tribes and individuals are shared with the states and counties: 21,000 miles for the BIA system, and 28,000 miles for the state and county systems. The need for cooperative action is well recognized, and we have many cooperative projects. We expect this portion of our work to grow considerably in the future, as we contribute to county projects which are of importance to the Indian people and counties assist with Indian roads. Cooperation is essential to efficient use of the public funds.

8. We have no comment on alternative fuels and tax exemptions for them.

9. Agricultural/industry transportation needs are very serious on Indian reservations, where poverty and unemployment are widespread. BIA has programs for assisting the economic development plans of the tribal governments, but those plans cannot succeed where severe transportation problems exist.

10. Other Issues of Concern:

BIA provides technical assistance to tribal governments in transportation programs other than roads. Among them are:

Highway Safety, accident investigation and reporting, statistics, impaired driver programs, driver education, and safety construction project planning.

Bus transit programs, and services for the elderly and handicapped.

Rail projects to reduce highway loadings.

Construction and maintenance project safety, for employees and for the public.

Prior to joining into the HTF in 1983, BIA defined pavement sealing as construction. Since 1983, this has been in our road maintenance program, but the projects are contracted just as are the road construction projects. Redefinition could allow us to return to our former use of road construction funds for pavement sealing.

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COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC

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August [illegible]

The Honorable Manuel Lujan, Jr.
Secretary
Department of the Interior
Interior Building
Washington, D. C. 20240

Dear Mr. Secretary:

The Water Resources, Transportation, and Infrastructure Subcommittee of the Senate Environment and Public Works Committee has scheduled two field hearings in Idaho in August. The first will be held on Monday, August 21 at 9:30 a.m. in Room 117-118, Shields Building, College of Southern Idaho in Twin Falls. The second hearing will be held on Tuesday, August 22 at 10:00 a.m. in the City Council Chambers, City Electrical Building, 140 South Capital Avenue in Idaho Falls. [The purpose of the hearings is to receive testimony in preparation for the reauthorization of the Federal-aid highway program.]

The Subcommittee is especially interested in testimony which addresses the following issues:

(1) the direction the Federal-aid highway program should take now that the Interstate System is essentially complete;

(2) the role of the Federal, State and local government in the Federal-aid highway program in the post-Interstate era;

(3) the level of highway revenues coming into the Highway Trust Fund vs. highway needs;

(4) apportionment formulas;

(5) Federal design standards and requirements for the Federal-aid highway system;

(6) transportation needs in urban and rural areas;

(7) highway needs on Federal lands;

(8) alternative fuels and the effect of exemptions on highway revenues;

August 11, 1989
Page two

(9) agricultural/industry transportation needs;

(10) any other issues of concern regarding the Federal-aid highway program.

A recent GAO report of maintenance shortfalls for the National Park Service in general and approximately $1.2 billion for park roads in particular is of particular interest to the Subcommittee. The Subcommittee requests that the Service provide a witness or witnesses who can speak to the specific issue of the state of park roads in units of the National Park System. Whereas both the Bureau of Indian Affairs and the Bureau of Land Management also have a stake in the reauthorization of this program, they are also invited to participate should they so desire.

Because of limited time at each hearing, individuals giving oral testimony will be asked to limit their testimony to a five minute oral summary, with their complete statement being included in the hearing record.

Witnesses are requested to supply one copy of their testimony to the Senate Committee on Environment and Public Works, Washington, D. C. 20510, Attn: Jean Lauver, five days before the hearing date, and to provide 35 copies of testimony at the hearing.

If you would like to testify or need more information, please have your office contact Jean Lauver at 202-224-7863, ~~Taylor Bowlden~~ at 202-224-2077, or Nadine Hamilton at 202-224-3333, by August 9th.

We look forward to having your views on these important issues.

Sincerely,

Steve Symms

Steve Symms
Ranking Minority Member
Subcommittee on Water Resources,
Transportation, and
Infrastructure

Daniel Patrick Moynihan
Chairman
Subcommittee on Water Resources,
Transportation, and
Infrastructure

Statement of Associated Builders and Contractors

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by

James Anderson, President
Anderson Brothers Company

before the

SENATE ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON TRANSPORTATION

on

Reauthorization of the Federal-aid Highway program

Idaho Falls, ID

August 22, 1989

Speaking for the Merit Shop

729 15th Street, N.W.
Washington, D.C. 20005
(202) 637-8800

Good morning. My name is Jim Anderson and I am President of Anderson Brothers Co., a heavy highway contractor located in Brainerd, Minnesota, with operations in Minnesota and South Dakota. On behalf of Associated Builders and Contractors, I appreciate this opportunity to testify before the Senate Environment and Public Works Subcommittee on Surface Transportation. ABC shares your commitment to reauthorization of the Federal-aid Highway program.

Associated Builders and Contractors (ABC) represents over 18,000 contractors, subcontractors, material suppliers and related firms from across the country and from all specialties in the construction industry. Our diverse membership is bound by a shared commitment to the merit shop -- the most efficient construction technique in America. The merit shop philosophy of awarding construction contracts to the lowest responsible bidder, regardless of labor affiliation, through open and competitive bidding, assures taxpayers and consumers the most value for their construction dollar. With 75 per cent of construction today done by merit (open) shop contractors, ABC is proud to be their voice.

On behalf of ABC, I commend the Subcommittee for commencing this assessment of current and future surface transportation needs. Like millions of Americans, ABC members rely on our nation's network of roads, highways and bridges for mobility on a daily basis. We expect the routes we travel to be safe and efficient; however, with investment falling, these qualities cannot be taken for granted.

The deteriorating condition of our public infrastructure is best summarized in a report from the National Council on Public Works Improvement which states, "...America's infrastructure is barely adequate to fulfill current requirements and insufficient to meet the demands of future economic growth and development." I trust the Congress, and the Department of Transportation in its current outreach effort, will draw similar conclusions; however, unlike the Council, both the Congress and DOT are in a position to reverse this trend.

Admittedly, ABC members benefit from increased investment in infrastructure construction and maintenance; however, the benefits of this investment extend well beyond the immediate boon to construction -- a $1 billion dollar investment in highway improvements generates some 41,600 jobs, 75 per cent of which are generated outside the construction industry.

As documented by David Aschauer, Chief Economist with the Federal Reserve Bank of Chicago, there is a correlation between infrastructure investment and the nation's economy: private sector productivity rose and fell in cycles corresponding to rise and falls in investment in highways, bridges and other public works. This relationship must not be ignored. Capital improvements to maintain and expand our transportation infrastructure are productive investments.

As a member of ABC's Infrastructure Task Force, I assure you ABC is committed to this issue, and we look forward to working with Congress to usher in the "Post-Interstate" era.

ABC does not expect the federal government to have the financial resources to single-handedly address the nation's transportation needs -- nor should it; however, with the benefit of a forward looking national blueprint, these needs can be met through a well coordinated effort. Just as Frank Turner looked to the future when he initiated plans for the Interstate system, Congress must now lay the groundwork required to meet tomorrow's transportation needs.

ABC encourages enactment of a reauthorization bill which is part of a long term plan -- with goals extending beyond the 4 year reauthorization cycle. The private sector must join with all levels of government, federal, state and local, to identify and then address our national transportation needs.

The federal government should maintain its commitment to the Federal-aid highway system and flexibility should be provided to allow for the inclusion of additional miles within either the Interstate or Federal-aid system. Economic development and global competitiveness, which require a safe, reliable and cost-effective transportation network, are national concerns requiring continued coordination, planning and investment at the federal level.

The reauthorization bill should encourage innovation and new technologies. Research and development should be a top priority at DOT and FHWA. We need to examine whether the traditional modes of transportation will be sufficient to meet the demands of tomorrow. Are more lanes the answer? How can we improve coordination between modes and increase ridership on public transportation? What transportation demand managements strategies should employers be implementing to reduce congestion?

ABC supports direct federal involvement in roads of "national significance". We support continuing the 85 per cent minimum allocation, to insure that states receive at least 85 per cent of the money they send to Washington in the form of gas taxes. Categorical restrictions should be reduced, providing state and local governments with adequate flexibility to prioritize and address their unique transportation needs. As demands on roads change, localities must have the flexibility to respond. For instance, rail abandonments have resulted in increased reliance on highways to transport commodities from farm to market. Construction of private roads and toll roads should be encouraged, so long as plans meet with the approval of the appropriate state and local jurisdictions. ABC urges Congress to reserve the designation of "demonstration project" for projects offering valid technical or administrative advances. These projects should be innovative, providing valuable information for replication elsewhere.

Financing

ABC supports the user-financed, pay-as-you-go, Federal-aid highway program. Since 1956, motor fuel taxes have been the primary user fee collected to finance the Highway Trust Fund. ABC applauds the twenty-nine states with dedicated highway user fees similar to the federal program and encourages the remaining states to follow suit. We further recommend the inclusion of anti-diversion provisions as found in seventeen state constitutions (including Minnesota, Montana, South Dakota, Idaho, Iowa, Nevada and

Wyoming). ABC strongly supports removing the federal Highway Trust Fund from the unified budget in order to accomplish the same objective achieved by the 17 states: to prohibit the diversion of dedicated transportation revenues to non-dedicated purposes.

Highway users pay the gas tax with the understanding that their money will be returned to them in the form of highway and bridge construction and repair. ABC firmly believes that revenues raised by user fees and collected in transportation trust funds should be allocated and spent solely for their intended purposes. Unfortunately, these revenues are being withheld, so that the accumulated balance can be used to mask the size of the federal deficit. While Congress is not maintaining its commitment to allocate and spend trust fund revenues on highway and bridge construction and repair, ABC cannot support a gas tax increase. Not until sufficient and enforceable language is provided to insure that user fee revenues will be spent on the dedicated needs -- not held to mask the deficit or diverted to the general fund -- will ABC give serious consideration to supporting a gas tax increase.

ABC strongly supports S.Res. 63, sponsored by Senator Symms, which expresses the sense of the Senate that federal excise taxes gasoline and diesel fuel shall not be increased to reduce the deficit. Although ABC supports deficit reduction as the top priority facing Congress and the nation today, we believe deficit reduction can and should be achieved through spending restraints in a manner that is equitable to all Americans -- not by diverting dedicated trust fund revenues or by raising the gas tax for non-transportation purposes.

A gas tax increase to reduce the deficit would undermine the user fee concept and unfairly force the nation's motorists to shoulder the cost of deficit reduction. Such a tax is inequitable, forcing rural Americans to pay a higher price for deficit reduction due to the greater distances they drive. For instance, a fifty cent per gallon increase in the gas tax would annually cost drivers in Minnesota, Idaho, Nebraska and the Dakotas between $400 - $ 499 dollars per automobile. An average driver in Montana or Wyoming uses twice as much gasoline as an average driver in Connecticut and consequently, would pay twice as much (over $500 v. $250-$299) in gas tax for deficit reduction.

A federal gas tax increase for deficit reduction would also reduce revenues to states and undermine their efforts to raise the state gas tax for dedicated transportation purposes. The National Association of State Budget Offices estimates that a 10 cent increase in the federal gas tax would reduce revenues generated by existing state motor fuels taxes by as much as $ 4 billion dollars -- not to mention the potential revenue foregone by the states' inability to raise their gas tax in the face of a federal increase.

A gas tax increase for deficit reduction would not only violate the trust between highway users and the federal government, but would further erode the nation's ability to address urgent transportation needs. The federal Highway Trust Fund and user fee financing in general have seen us through completion of the Interstate; however, the gas tax must be preserved as a dedicated highway user fee if this successful financing method is to adequately meet the needs of the post-Interstate era. ABC will oppose any proposal that violates the trust struck between Congress and the American people.

Clean Air

S.1490, Clean Air legislation introduced on behalf of the Administration and pending before your Committee, could dramatically and adversely impact the future viability of Trust Fund financing. ABC has advised OMB of our concerns, and I urge both the Congress and the Administration to coordinate clean air efforts with legislation to address equally urgent transportation needs.

ABC encourages the use of transportation demand management strategies and improved coordination between modes to achieve improvements in air quality. However, the ability to finance such environmentally beneficial infrastructure improvements will greatly depend on the level of funds available in the Highway Trust Fund -- and here is where a conflict may exist.

The Administration's aggressive alternative fuels program combined with the current gasohol exemption will directly undermine the President and Secretary Skinner's desire to invest in America's future -- a priority shared by ABC and this Subcommittee.

The federal tax on gasoline and diesel fuel, currently 9 and 15 cents respectively, provides the Trust Fund with an annual revenue stream of over $14 billion dollars. This financing method is threatened by clean air proposals which mandate the use of oxygenated fuels without simultaneously repealing the current 6-cent motor fuels tax exemption provided splash blended ethanol, such as gasohol (10 percent ethanol, 90 percent unleaded gasoline).

This exemption has cost the Highway Trust Fund $2.4 billion dollars since 1974. In 1987 alone, the subsidy diverted $650 million dollars from addressing federal, state and local transportation infrastructure needs. However, according to the Federal Highway Administration, the implementation of alternative fuel programs in the nine most serious ozone non-attainment areas would cost the Highway Trust Fund $1.7 billion dollars annually. Unfortunately, increased usage of "clean" vehicles will not remedy the wear and tear on roads, highways and bridges or reduce the need for mass transit.

Granted, there are near-term environmental benefits from increased usage of oxygenated fuels; however, programs which encourage the use of non-exempt blends, such as ETBE (Ethyl Tertiary Butyl Ether) and MTBE (Methyl Tertiary Butyl Ether), would provide 80 percent of the air quality benefits attributed to ethanol without crippling the Highway Trust Fund. Regardless of fuel type, government subsidies and marketplace intervention will undoubtedly be required to insure public acceptance of any alternative fuel program. ABC does not believe the costs of making alternative or oxygenated fuels competitive should be borne by the Highway Trust Fund.

ABC is simply asking that all vehicles pay their fair share. We urge the Subcommittee to carefully consider this issue. The 6 cent exemption must be repealed if the clean air proposal is to be consistent with the long term interests of the nation.

Similarly, the imposition of anti-growth sanctions, such as withholding federal highway funds, may well prove counterproductive to the goal of improved air quality. ABC supports clean air legislation; however, we believe it is unwise to sacrifice our ability to finance critical transportation needs -- doing so would only increase congestion and gridlock, waste valuable energy resources and further exacerbate the urban non-attainment problem.

Disadvantaged Business Enterprise Program (DBE)

In 1977, the FHWA first set national goals for minority business participation in the Federal-aid highway program to serve as a stimulus for contract awards to DBEs. By 1983, this goal was in effect changed to a 10 per cent quota when the DOT began implementing regulations carrying out Section 105(f) of the 1982 Surface Transportation Assistance Act. Under these regulations, unless otherwise authorized by the Secretary of Transportation, at least 10 per cent of the Federal-aid highway program funds are to be awarded to DBE contractors. This stringent 10% DBE requirement fails to recognize the need for flexibility and cooperation which we believe Congress had originally intended in its minority provision.

ABC believes DBE programs are a short-sighted response to a problem requiring long-term solutions. Set-asides insulate disadvantaged firms, preserving rather than improving their situation. Rather than using taxpayers dollars for these programs, the money should be invested in training to help these firms and their employees become more skilled at both the craft and management levels. Training is an investment in the future, better equipping DBE firms with the skills necessary to successfully compete in the absence of preferential treatment.

ABC's policy is to assist, to the maximum extent possible, minorities who are seeking employment in the construction industry and minority firms seeking to participate in the free-enterprise system. However, we have found set-aside programs to be unworkable and counterproductive. ABC members have had difficulty meeting the 10 per cent DBE requirements because of the lack of qualified DBE firms or when a capable DBE is found, they generally have bid for and received more work than they can perform.

The short supply of qualified DBE firms has resulted in the proliferation of pass-through companies or "fronts". This is a disturbing problem for ABC contractors who seek to hire qualified minority firms and it certainly negates the intention of the program -- to enable minority businesses to effectively compete in the construction industry.

Since highway work does not lend itself to a significant amount of subcontracting, only around 10 per cent is available for subcontract award, the DBE set-aside requirement essentially forces many contractors to award all of their subcontracts to DBE firms -- effectively banning non-minority subcontractors from the competition. The shortage of DBE firms also bumps up the cost of public construction. In the absence of competition, DBE firms are unlikely to be low bidders; however, contractors have little choice other than to use them.

Rather than pursuing set-asides, ABC urges DOT to join with the private sector to provide training and mentor programs so that disadvantaged businesses can compete and win contracts on merit rather than due to a federal set-aside program. ABC has focused a large portion of its financial, membership and staff resources on the issue of craft and supervisory training. We have long recognized that if the United States is to foster expanded opportunities for all its citizens and maintain our competitiveness, hundreds of thousands of additional highly skilled workers will be needed between now and the year 2000. Training is the only solution.

Recognizing that the DBE requirement will be reauthorized, ABC encourages the inclusion of safeguards (i.e. a sunset provision, size restricts for eligibility, and limits on the number of contracts a DBE can obtain) to insure that the program does not perpetuate the firms DBE status.

Davis-Bacon

As Senator Symms is well aware, there is a great need for substantial and meaningful Davis-Bacon reform -- reform that could provide for more cost-effective federal highway construction programs, for a greater number of participants in the federal highway contract-bid arena, and for a greater number of minorities obtaining jobs on federal highway and mass transit construction projects.

With the immediate need for highway and bridge construction and repair far outstripping the supply of available funds, reform of the Davis-Bacon Statute can provide additional dollars to fund our infrastructure needs without undue harm to those who build the Nation's highways and other public works projects.

Davis-Bacon reform is an economic issue -- which would provide jobs and opportunities to small businesses while insuring the public the best construction buy for their tax dollars.

The fundamental question is, "Does the fifty-year old Davis-Bacon statute serve the social and economic needs of the nation today?" ABC, along with 26 other associations in the Coalition to Reform Davis-Bacon, say NO!

It is important, however, to keep the original intent of the legislation in mind -- to protect workers and contractors from losing local public works projects to out-of-state contractors using itinerant workers. ABC finds little wrong with the intention of ensuring that federal contracts are awarded to bidders who pay their employees the "prevailing wage" and not a substandard wage. However, over the past fifty years, the goal of this well-intentioned law has been lost. Under the Davis-Bacon act today, local contractors employing local workers are not being awarded federal construction contracts for work in their geographic locality. The administration of the law has resulted in the determination of "prevailing wages" which are NOT the true ongoing wages in the locality. The smaller businesses simply cannot compete with the ability of larger firms to comply with the requirements of the statute, and the associated paperwork requirements. The mandated paperwork alone is not economically feasible for a small business.

Adoption of a reform measure similar to the amendment offered by Senator Symms in 1986 would go a long way to resurrect the intent of Davis-Bacon. The Congressional Budget Office estimates that adoption of true reform (raising the threshold from $2,000 dollars to $250,000, reducing paperwork requirements and allowing for the unrestricted use of helpers) would result in an immediate government-wide savings of $680 million in FY 1991 with a cumulative five year savings of $3.5 billion in budget authority. Reform of the act would exempt from Davis-Bacon requirements contracts of less than $250,000, exempting 7 percent of the dollar volume of all federally financed contracts for construction, repair and alterations. 50 to 60 per cent of the savings generated by true Davis-Bacon reform would be realized from savings on federal transportation and highway programs. Those dollars would be better spent addressing additional needs, rather than being lost to artificially inflated wages.

As I mentioned, in September of 1986, during consideration of the Highway Reauthorization bill, the Senate passed the reform amendment offered by Senator Symms. Unfortunately, this worthy amendment, to raise the threshold to $250,000 and allow for the use of helpers, was not adopted by the conferees and the reform effort continues. Let me assure you that ABC looks forward to working with you, Senator Symms, to promote the wisdom of your amendment and to insure its inclusion in the final reauthorization bill.

Motor Carrier Safety Regulations

The Surface Transportation Assistance Act of 1982 authorized a grant program as an incentive for states to adopt the federal Motor Carrier Safety Regulations and apply them to intrastate motor carrier operations. ABC supports the intent of the Motor Carrier Safety Assistance Program: to improve the safety of our nation's highways; however, the uniform application of these motor carrier regulations on trucks used for non-traditional motor carrier operations, such as in the construction industry, is a concern to ABC and its members.

ABC works closely with its members to insure that every worksite is a safe worksite, with well maintained and safe equipment. To do otherwise would be bad business, not to mention illegal. Our members inspect their equipment regularly and take every precaution to minimize the risk of injury to themselves and their employees. However, motor carrier safety regulations were designed for the motor carrier industry and are not appropriate for uniform application to the construction industry.

Trucks used by construction companies vary in weight from under 10,000 lbs. GVWR to over 80,000 GVWR. The imposition of motor carrier safety regulations on all trucks with GVWR over 10,000 lbs. places our employees under the hours of service requirements intended for interstate truckers and bus drivers. Although our employees may drive the truck to and from work for convenience and occasionally between worksites, actual time behind the wheel is minimal and incidental to their direct responsibilities. However, the hours of service requirements prohibit an employee from driving "for any period after" having been on duty for 60 hours in any seven consecutive days if the fleet does not operate motor carriers everyday or 70 hours in eight consecutive days if it operates everyday. These restrictions will limit an employee's earnings by prohibiting him to work extra hours during the crunch periods.

With the federal government having previously acknowledged the necessity to work long hours in the construction industry (by allowing our employees to work four ten hour days without receiving overtime pay), the hours of service requirements are clearly inconsistent with the realities of the construction industry.

Secondly, DOT should consider the advantages of focusing its safety audits and roadside vehicle inspections on heavier weight trucks (26,000 GVWR and higher) which is consistent with applications of the commercial drivers license requirements. By raising the threshold to 26,000 GVWR, DOT and state inspectors would be freed to concentrate their enforcement efforts on larger motor vehicles which according to the Fatal Accident Reporting System represent 87 per cent of all truck-related fatalities.

ABC is working with other industries covered by the FMCSRs to explore ways of preserving the intent of the safety regulations without the unnecessary burdens created by a uniform application of motor carrier standards. We would appreciate any consideration Senator Symms and his colleagues might give to the following proposals:

1) language instructing DOT to review and submit to Congress recommendations regarding the desirability of amending the definition of "commercial motor vehicle" with respect to the Surface Transportation Assistance Act of 1982 and Section 204 of the Motor Carrier Safety Act of 1984 by increasing the gross vehicle weight threshold to 26,000 pounds.

2) language requiring the Secretary of Transportation to issue a final rule which provides a driver worker exemption from hours of service regulations, similar to the current driver-salesman exemption in 49 CFR 395, for workers who drive a commercial motor vehicles incidental to their normal work duties.

3) language instructing DOT to seek comments and amend the hours of service requirements to accommodate the unique circumstances of the many industries now covered by FMCSRs or set specific hours of service requirements for each industry.

This concludes my written statement on behalf of Associated Builders and Contractors. Again, I want to thank Senator Symms and the entire Subcommittee on Transportation for the opportunity to appear in Idaho Falls on behalf of Associated Builders and Contractors.

STATEMENT OF IVAN D. MILLER, CHIEF, OFFICE OF PLANNING, PACIFIC NORTHWEST REGIONAL OFFICE, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE OF THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, CONCERNING THE REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM.

AUGUST 21, 1989

TWIN FALLS, IDAHO

Mr. Chairman, I appreciate this opportunity to appear before you today to provide National Park Service input into the discussion of the reauthorization of the Federal-aid Highway Program pursuant to the Surface Transportation Assistance Act of 1982.

Before delving into my testimony, Mr. Chairman, I should point out that neither the Department nor the Administration has taken an official position on the reauthorization of this Program, therefore, my testimony is of an informational nature only. An Administration position will be contained in the Department's report to the Full Committee on a bill designed to accomplish the reauthorization, should such a request be made. The Department is reviewing the backlog of potential Federal Highway projects in all bureaus.

The National Park System includes approximately 7,975 miles of roads and in excess of 1,400 bridges and tunnel structures. This represents a capital investment valued in excess of $20 billion. Under the most recently published Federal Highway Administration inspection and inventory system:

21% of the roads were rated in GOOD condition;
29% were rated FAIR; and
50% were rated POOR.

Since 1983, major repairs and rehabilitation of park roads have been funded under the Federal Lands Highway Program from the

Highway Trust Fund with revenues derived from highway related excise taxes. Congress originally authorized the National Park Service program at a level of $100 million annually beginning in fiscal year 1983 but reduced the authorization to $60 million beginning in fiscal year 1987 and running through fiscal year 1991. This represents a substantial investment in our park road system, approximately $700 million to date. The Federal Highway Administration's current estimate to bring the Service's roads up to a condition where they can be economically handled with routine maintenance is in excess of $1.4 billion. Future funding requirements to meet construction and maintenance needs will be addressed in the course of the FY 1991 budget process.

The Federal Lands Highway Program has provided critical funding for the rehabilitation of park roads within the Pacific Northwest Region of the National Park System. The Region consists of the States of Idaho, Washington, and Oregon and contains 366 miles of road plus 77 bridges and 6 tunnels.

Fifty-six percent of our roads within the Region are in failing condition. Twenty-nine percent are rated fair, and 15 percent are currently rated good. In recent years, the Pacific Northwest Region's park roads have deteriorated. This deterioration is a function of the age of the roads, severe weather conditions, and increased traffic, particularly high impact vehicles such as tour buses and recreational vehicles. As an example, in Idaho the main park road within the Craters of the Moon National Monument has soft portions in the base, failed surface areas, large transverse cracks, and poor drainage. Failure of this road has accelerated in recent years due to increased use, particularly of heavy vehicles.

The primary road-related objectives for the Pacific Northwest Region are to provide safe roads for the travelling public, insure that there are no park resource impacts from failing roads and prevent further deterioration of the park road systems.

Mr. Chairman, I thank you for the opportunity to provide testimony at this hearing today. I will be pleased to respond to your questions at this time.

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To Angela Plott	From Carl Nellis
Co. Symms Office	Co. ID. Fish & Game
Dept.	Phone # 208-324-4359
Fax # 202-224-5893	Fax # 208-324-1160

October 6, 1989

Honorable Steven D. Symms
509 Senate Hart Office Building
2nd Street & Constitution Ave., NE
Washington, D.C. 20510

Dear Senator Symms:

At your recent field hearings of the Water Resources, Transportation and Infrastructure Subcommittee, the Bureau of Land Management offered no testimony but indicated a written comment would be submitted at a later date by the Idaho Department of Fish and Game. I bring one item to your attention, as a formal comment at this time, which warrants your consideration.

In the 1960s, plans were made to construct an interstate highway from Tremonton, Utah, into southern Idaho, just north of Malta, through Black Pine Valley. The proposed route drew substantial local opposition, much of it based on constructing a highway across a prime mule deer migration route. Idaho Fish and Game, the U.S. Forest Service and the Bureau of Land Management all objected to the proposed location.

The environmental impacts of the highway were not addressed because the proposal predated the National Environmental Policy Act. Consequently, the highway was constructed as originally proposed. The results were dramatic: a population of about 7,500 mule deer was reduced to 3,000 animals, and the migration declined greatly.

After the highway was built, most of the deer did not cross it. Rather, they continued on a southeasterly route and many ended up on private land near Snowville, Utah. Winter losses were severe the first 2 or 3 years and a feeding operation was set up to "save" this herd. To prevent depredation problems and confine the feeding operation to public land, a deer-proof fence was constructed in an attempt to keep the animals in Idaho. The fence was successful for the most part, but it also caused another problem. The herd is so concentrated at the feeding site that it is beginning to damage the rangelands. From the early 1970s through now, we have spent an average of $25,000 a year to maintain the herd during the winter months.

The area is a popular hunting site for the people of southern Idaho; loss of this hunting opportunity because of a reduction of the herd is not

Cecil D. Andrus / Governor
Jerry M. Conley / Director

acceptable to the public. Further, the deer in the winter area migrate from two different mountain ranges and hunting units, making it difficult to control only the deer migrating to the problem area.

Some of the deer still cross the highway, mostly in the Sweetzer Summit/Meadow Creek vicinity, creating a major hazard to travelers on the highway. Several serious accidents occur each year. We estimate at least 100 deer are killed annually by vehicles.

Recently, Idaho Fish and Game, Bureau of Land Management, U.S. Forest Service, the Region 4 Wildlife Council, plus local farmers and ranchers met to review the problem. Several possible solutions were discussed. The need to restore the migration was viewed as the first and most important step towards making the problem much more manageable.

To restore the migration, structures must be built across the highway to provide the deer with a safe crossing and reduce the hazard to motorists. Such a mitigation step was suggested by the agencies over 20 years ago, but was never acted on.

The agencies and local citizens believe now is the time to act upon the migration restoration idea. The Department of Transportation's recent solicitation of comments on how to best spend Interstate Construction Funds presents an ideal opportunity to help resolve the longstanding problem of deer migration in the Black Pine Valley. Fish and Game and other agencies involved ask you to consider this suggestion as an appropriate use of the funds. Crossing structures would solve the majority of the wintering deer problems in the area, increase safety for highway travelers, relieve the State of the winter feeding burden, stop rangeland deterioration because of the high deer concentration, and ensure continued economic and other benefits from the recreation supplied by this deer herd.

We would be pleased to provide you with more information. If specific details are needed, please call me at 208-324-4359.

Thank you for your attention to this important matter.

Sincerely,

Carl H. Nellis

Carl H. Nellis
Regional Supervisor

cc:
Jerry M. Conley, Director, Idaho Fish and Game

Gerald Quinn, District Manager, Bureau of Land Management, Burley

Lloyd Ferguson, District Manager, Bureau of Land Management, Idaho Falls

Roland Stoleson, Supervisor, Sawtooth National Forest, Twin Falls

Your Idaho Falls Office, Attn: Dixie Richardson

American Recreation Coalition
Dedicated to the protection and enhancement of every citizen's right to pursue health and happiness through leisure-time activities

September 20, 1989

The Honorable Daniel Patrick Moynihan
Chairman
Subcommittee on Water Resources,
  Transportation, and Infrastructure
United States Senate
Washington, D.C. 20510

Dear Senator Moynihan:

The American Recreation Coalition would like to request that the attached statement be included in the formal hearing record for hearings sponsored by the Subcommittee August 21 and 22 in Idaho. We are anxious to have the perspective of recreational travelers included in discussions preliminary to reauthorization of the Federal-aid highway program.

Thank you for your consideration of this request.

Sincerely,

Derrick Crandall

Derrick A. Crandall
President

DAC/mbk
enc.

cc: Jean Lauver

Suite 726 • 1331 Pennsylvania Ave., N.W. • Washington, D.C. 20004 • (202) 662-7420

STATEMENT BY DERRICK A. CRANDALL, PRESIDENT OF THE AMERICAN RECREATION COALITION, BEFORE THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE, ON REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM, OVERSIGHT HEARINGS HELD AUGUST 21 AND 22 IN IDAHO.

We appreciate this opportunity for the American Recreation Coalition (ARC) to comment as the Committee prepares for reauthorization of the Federal-aid highway program. ARC is a federation of over 100 organizations and corporations with a vital interest in the future of the nation's highways and byways. We have been an active player in the scenic byways movement for over two years, and feel it is important that Congress consider the needs of recreational travelers during the highway program reauthorization process.

From 1985 to 1987, I had the tremendous opportunity to serve as a member of the President's Commission on Americans Outdoors. Through more than twenty meetings of this commission across the nation and through a national survey of recreation activities done for the commission, I learned first-hand about the special passions people feel about the roads they love: roads such as California Route 1 and the Going to the Sun Highway, the country farm road and the Great River Road.

Americans have long enjoyed seeing the diversity of this great nation while driving in cars, RVs and motorcycles, riding in tour buses, and pedaling bicycles. Scenic drives into the country and longer distance explorations were principal initial uses of the automobile. Early in this century, state and federal agencies developed specific routes for recreational drivers. New York and Oregon were early leaders in constructing parkways and scenic drives, followed closely by Texas, Vermont and other states. Federal efforts began in earnest during the 1930's and focused in and around the nation's capital and within the national park system, bringing us roads such as the Blue Ridge Parkway and the George Washington Memorial Parkway. The success of these initiatives is clear today. The corridors containing these scenic byways attract millions of visitors annually, and their natural beauty remains protected.

Calls for a national scenic highway system started in the 1960's. The first federal survey of recreational activities was conducted in 1960 and placed pleasure driving at the top of our leisure activities, where it has remained in each of the subsequent national Recreation Surveys. In fact, a feasibility study was undertaken by the Department of Transportation in 1973 for a national system of scenic highways and parkways. The first of our nation's energy emergencies prompted a report which validated the need for attention to scenic byways but which recommended against a new initiative.

While federal efforts remained on hold, state progress continued. A number of states developed scenic road programs; some were quite ambitious. Key private initiatives such as the designation program of the American Automobile Association were begun. And the volume of recreational travel continued to climb.

By the time of the President's Commission, both a need and a window of opportunity were apparent. After thirty years of focused public investment, the nation had developed an outstanding interstate highway system to move people and goods swiftly and safely between our urban centers. We had also developed major public park and recreation programs, expanding opportunities to enjoy fishing and boating, swimming and golfing, camping and team sports. Yet little attention had been paid to an activity which accounted for more than 20% of all vehicle miles -- pleasure driving. The President's Commission urged federal, state, local and private efforts to identify, publicize, protect and enhance recreational travel on scenic and historic corridors through scenic byways. The timing was right because initial efforts to craft a new, long-range blueprint for our nation's highway program had already begun.

Few of our other recommendations sparked as rapid and positive responses. Over thirty organizations sponsored the Scenic Byways '88 national conference, prompting new dialogue among transportation, recreation, tourism, environmental and cultural community leaders. The Forest Service has developed a National Forest Scenic Byways program which now includes over 50 designated byways. The Bureau of Land Management is creating a system of Back Country Byways to draw more recreationists to enjoy America's public lands. More state and local activity is apparent in all parts of the country.

In addition, Federal legislation was introduced in February 1989. The Scenic Byways Study Act of 1989 (S. 432 and H.R.1087) calls for an updated study of the nation's scenic corridors, and guidelines for creating a national scenic byways effort. The study would provide information valuable to Congress in preparing the 1991 highway bill, and we fully support its passage. We also applaud the inclusion of a scenic byways study provision in the 1990 Transportation Appropriations bill as reported from the Committee. Support for expanding the nation's network of scenic byway continues to build, and these measures will further enhance understanding of scenic byways issues. We applaud Senators Rockefeller and Moynihan for their lead roles on S.432, and encourage the Committee to support its passage.

We are convinced of the wisdom of a national program because scenic byways offer tremendous benefits with very few potential liabilities. Creating scenic byways does not necessitate new road construction. In most cases, the roads, the scenery, the attractions and the services are already in place. Byways can follow historic paths of early settlers and explorers, like the Nachez Trace or the Lewis and Clark Trail, or can feature areas rich in recreational offerings such as white-water rafting, skiing, mountain biking or fishing. Many communities have the potential for scenic byway development, and only need guidelines and expertise to create a successful program.

Scenic byway designations can help rural communities realize their tourism potential, generating new jobs, revenue and pride. The economic benefits of scenic byways can be substantial. Tennessee officials estimate that if scenic byways keep one percent of Tennessee's visitors in the state for an extra half day, annual tourism revenues will increase by six million dollars. Vermont estimates the economic impact of visits to observe the fall foliage, which lasts about three weeks, at $80 million. Rural businesses ranging from campgrounds to gas stations, outfitters to restaurants, inns to antique shops can all benefit from proper designation, protection and marketing of scenic byways. The potential for breathing new life into depressed economies through tourism generated by scenic and historic roads is very high.

We're also excited by the potential scenic byways have for linking Americans to the wide variety of recreational opportunities in this nation. Roads which lead to our parks and forests and allow people to enjoy hiking, bicycling, fishing, and other outdoor activities are especially valuable in metropolitan areas with growing numbers of active outdoor enthusiasts.

Scenic byways should be a part of the nation's post-interstate highway program. We need to take action soon to ensure the special scenic, cultural, recreational and historic roads of this nation are identified. We need to provide more tools for states and local communities anxious to enhance and protect scenic and recreational corridors, and to fully support the development of scenic byways on our Federal lands.

Thank you for listening to our views on one of America's finest resources -- our scenic and historic roads and byways.

Derrick A. Crandall, President
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INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

Statement for the Record of Intermountain Forest Industry Association To the Senate Subcommittee on Water, Resources, Transportation and Infrastructure

on

Reauthorization of the Federal-Aid Highway Act

August, 1989

Mr. Chairman and Members of the Subcommittee:

I am Joseph M. Hinson, Executive Vice President, Intermountain Forest Industry Association. Headquartered in Coeur d'Alene, Idaho, IFIA represents forest products manufacturers and commercial timber growers throughout the northern Rockies. The majority of the productive capacity of IFIA's membership is in Idaho and Montana, and lumber production in those two states represents about 10 percent of all lumber production in the United States.

The timber industry is an economic mainstay of Idaho north of Boise and throughout Western Montana. In these areas, the timber industry's contribution to the economic base -- manufacturing and services which bring "new" dollars to the area -- approach 50 percent. Employment tops 23,000, and these well paying jobs help support all the service and secondary industries in the inland region.

Two aspects of our business require an adequate, well-maintained transportation infrastructure: (1) hauling raw materials (logs and chips) to the mills and; (2) distributing the finished products to our customers. This is, of course, but another way of saying that our business, along with the economic fortunes of this region, are heavily dependent upon reliable, high quality roads and railway systems.

Our transportation system here in the Inland West is particularly weak and ill-suited to a prospering and expanding forest products industry. Major transportation corridors consist largely of two lane, narrow mountain roads. While perhaps at one time adequate, these road systems are no longer capable of serving either a growing population or transportation dependent industries such as ours. In addition, recent declines in our ability to ship more products by rail have added truck traffic to an inadequate highway system.

703 Lakeside Avenue • Coeur d'Alene, Idaho 83814 • (208) 667-4641

A particular concern is the lack of high speed, safe north - south highways which could serve as a link to the east-west interstates -- U.S. Route 95 in Idaho and U.S. Route 93 in Montana, to mention two glaring examples. But of equal importance is U.S. Route 2, extending across north Idaho and northwest Montana. This route links the previously mentioned north-south routes and ultimately intersects with the interstate system. It runs through the heart of timber country, serving no less than ten medium to large sized sawmills. Adding to the burden on this highway will be the new Ponderay Newsprint mill, currently under construction at Usk, Washington. This mill can be expected to rely heavily on truck transport of chips, pulp logs and finished newsprint, yet the major route available to the mill and the only link to the interstate system is a two lane horror show of blind curves, snow and ice, tourists, and log trucks. It, along with U.S. 95 and U.S. 93, are not acceptable means of transportation today.

We urge the Congress to provide adequate funding for the reconstruction and maintenance of the secondary roads which feed into the interstate system. Please remember that these roads are an economic lifeline for the rural communities in the West which depend on them to send our forest and agricultural products to urban markets. There is no underestimating the importance of these roads to the rural West.

In summary, we appreciate this opportunity to discuss our transportation needs with the Subcommittee. We understand the challenges of trying to develop an overall national transportation policy and the political challenges inherent in the reauthorization of the Federal-Aid Highway Act. We look forward to working with the Congress and the appropriate federal and state agencies in resolving them.

Thank you for the opportunity to present our views.

PRESENTATION
BEFORE
THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE
OF THE
SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

AUGUST 21, 1989

TWIN FALLS, IDAHO

by

MILTON L. JOHNSON P. E.
EXECUTIVE DIRECTOR
NATIONAL ASSOCIATION OF COUNTY ENGINEERS

ATT: Honorable Steve Symns
Ranking Minority Member
Subcommittee on Water Resources,
Transportation, and Infrastructure
Committee on Environment and
Public Works
United States Senate
Washington DC 20510-6175

Honorable Daniel Patrick Moynihan
Chairman
Subcommittee on Water Resources
Transportation, and Infrastructure
Committee on Environment and
Public Works
United States Senate
Washington DC 20510-6175

I want to first of all thank you for affording us the opportunity to comment on what we see as the issues and problems of the rural transportation system and to suggest possible solutions.

I am Milton L. Johnson P.E., Executive Director of the National Association of County Engineers. My Engineering Career consists of five years with the Iowa Highway commission, 25 years as a County Engineer, serving in two different counties during that time. Following my year as President of NACE in 1978, I was elected to the Secretary/Treasures position. Because we did not have an Executive Director, I held that position along with being a full time county engineer until becoming the first full time NACE Executive Director in May of 1987.

I am here today representing the National Association of County Engineers.

The National Association of County Engineers(NACE) was founded in July 1956, with a membership open to county Engineers or engineers serving in equivalent capacities in counties of the United States. Since that time the membership has been expanded to allow for non-engineers who are in responsible charge of a county operation to become a corporate member. It has also been expanded to welcome members from any country who have similar goals. We presently have about 1200 Voting Members.

The only organization in its field, NACE is affiliated with the National Association of Counties, but has its own elected officers, Constitution and By-Laws and is incorporated.

NACE has a three fold Objective:

1.) To advance county engineering and management by providing a forum for exchange of ideas and information aimed at improving the county engineering profession.

2.) To foster and stimulate the growth of individual state organizations of county engineers.

3.) To improve relations and the spirit of cooperation among county engineers and other agencies in the solution of mutual problems.

At the present time NACE is working on a position paper which we would like to present when it is ready. As you might expect there is some disagreement on some of the subject areas. Each of the 50 states have their own laws, rules and regulations as well as divisions of jurisdiction and taxing powers. Then within each state their are the political subdivisions which do not necessarily have the same viewpoint. In spite of this we will have a document within a short time.

My purpose in coming before you today is to present some thoughts and ideas on several subjects that I believe are important and should not be overlooked in the formulation of the guidelines for meeting the Nation's rural transportation needs.

My comments come from observations and conversations over the last 25 years with county engineers and other local public officials in all parts of the country. I will attempt to keep my remarks relatively general while at the same time pointing out some specific problems that are fairly wide spread.

The subjects to be addressed are:

1. Lack of Low volume road research, statistics and information
2. The changing population in the rural areas
3. Rail abandonments
4. Roads needed to serve agriculture when there are no residences
5. The Changing usage of the rural road system.
6. Effect on granular surfaced roads of increasing wheel loads
7. Public transportation

1. Low volume road research, statistics and information

Part of the problem, when talking about rural roads, particularly those low volume roads under local jurisdiction, is that there has been a minimum of research on facets of the operation and traffic on most of these roads.

The counties in some states have done a pretty good job of traffic counts with as much accuracy as the primary road counts, but others have virtually nothing in the way of verifiable information. Although the nature of the traffic is not well documented, I contend that a person in charge of a county road system, such as a county engineer, who has spent five years or longer in one county, has a very good feel for the traffic volumes and traffic types. The actual weight of these loads is open to more speculation, but even then the weights can be estimated pretty close when, for the most part you know who is hauling what.

The main reason for the minimum amount of research on this type of road is lack of money, of course. Individual counties cannot afford much in the way of research projects and most of the counties have only one professional, if any, on the staff and therefore very little time or money is allotted for research.

Most of the research done by the Transportation Research Board with contracts with FHWA, AASHTO, NCHRP etc are geared to either original research on technology or the application of technology to higher volume roads. Because of the funding sources, the tendency is to steer the research toward the state road systems.

The information that is applicable to low volume roads and hence useful to small local governments is frequently not known by the people who could effectively use the information. The Rural Transportation Assistance Program (RTAP) has started to overcome this deficiency, through the Technology Transfer (T^2) Centers. This program has done more to educate local government employees and politicians than most people believed possible.

2. The changing population in the rural areas.

As the very rural areas of this country see a decline in population we also see an increase or at least holding steady of the rural population surrounding a community or city that has industry which requires a sizable work force. An increasing number of farm families that are trying to stay on the farm, find it necessary for one or more of the family work in town to make ends meet.

In addition to the farm families working in town, more families want to enjoy the space and freedom of living in the country, but still earn their living working in town. These people will buy a small piece of land, build a home on it and move to the country, and expect to be able to get to their city job each day.

In many cases the off farm employment changes the type of farming operation carried on by the part time farmer. The general farm with a variety of livestock is becoming less and less prevalent. The livestock are concentrated in large feed lots or huge chicken houses etc. This means that all of the grain that is raised on the small farm is shipped out in some fashion.

Schools have been and are continuing to be consolidated, which means that although the school age population might be down in an area, the school buses are still there and are making longer trips. The buses are also getting bigger. Sixty six and seventy two passenger buses are common. These larger buses have axle weights up to 20,000 pounds.

Changes in population, working place and type of farming operations change the traffic patterns on the roads serving these places as they need to get into their jobs daily and on time. In the snow belt this generally means a change in the snow removal patterns and earlier plowing and more ice control. Most of these changes mean an increase in maintenance costs.

3. Rail Abandonments

The abandonment of many of the rail lines serving the smaller communities and grain elevators, has forced the farmers to haul longer distances to a market or terminal. Because of the cost of loading and reloading at the smaller elevators, in many cases, the 18 wheelers are brought directly to the field and loaded there, either in the field if that is possible or while setting on the road. The large truck then goes the longer distance to a large terminal or to the market. This has increased the loadings on the primary road system as well, but almost all of these trips start on a local road.

4. Roads needed to serve agriculture where there are no residences.

Because some farms are being bought by neighboring farmers or by corporations, there are many abandoned farmsteads in some areas. Thus some roads that did serve a residence, no longer do.

Several states have passed legislation which established a method for local government to legally lower the maintenance standards on the roads that need to remain public roads, but are not essential for day to day traffic. This is an attempt to lower the maintenance costs. In most of these cases however, the road still must carry out the same harvest that it did before.

Professor Phillip Baumel of Iowa State did a study[1] in four counties to find out the results of vacating low volume roads. He found the overall cost, including user costs, for most of these roads was higher if the road was vacated than if it was kept in the system.

5. The Changing usage of the rural road system.

The traffic changes, both volumes and weight, brought on by the changing rural community have necessitated some changing in maintenance operations. The need for these changes can be seen quite readily in the amount and type of maintenance a granular surface road requires. On a hard surface road these changes are slower to show up and not nearly as easy to detect until the surface starts to fail. Volume changes in lighter traffic have practically no effect on hard surfaced roads. Increases in number and size of the larger trucks however, sharply increase the maintenance and hasten the end of the useful life of lighter pavements.

6. Effect on granular surface roads of increasing wheel loads

I am not going to go into the comparison of what the increase in maximum weight from 18,000 to 20,000 lbs on a single axle and from 32,000 to 34,000 lbs on tandem axles has done to pavements including the local roads, because I think that is well documented and the information is readily available. I do, however, want to point out that most of the loads of this nature start and end their journey on local roads and streets.

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[1] Baumel, C. Phillip, 1989. "The Local Rural Road System, Alternative Investment Strategies", Center for Agricultural and Rural Development, Iowa State University, Ames Iowa 50011

I do not have, nor do I know of any, research that has been done to show the effect large loads have on granular surface roads. The nature of a granular surfaced road is such that if it is damaged by one or more large loads, it has basically one of three effects.

The first condition is not too serious, the loads will make some minor rutting which can be corrected by blading more granular surfacing into the ruts.

The second condition is where the load is heavy enough or repeated enough times to break the crust formed by the surfacing material and the rutting is deep enough that the subsoil or just plain dirt comes to the surface. In this case a large amount of granular surface is used to fill in the rut and still dirt is mixed with the surfacing in such amounts that additional surfacing must be added to make the road usable in wet weather.

The third condition exists when a vehicle breaks through the crust and sinks deep enough into the subsoil to become stuck and unable to get out without assistance. This usually results in a large section of road being torn up and some extensive maintenance work required to restore the surface.
The repair of each of these requires manpower, equipment and in the last two cases and sometimes in the first, addition of granular surfacing. Most of these repairs are performed by maintenance personal and therefor the public is not aware of the large sums of money that have to be spent to attempt to keep the roads in usable condition.

7. Public Transportation

Public transportation in the rural areas is all the way from nonexistent to nearly reasonable as the population concentration increases. By the vary nature of the areas with lower population densities, the only viable public transportation system must use the road system. As the densities and distances increase rail and air transportation become a more viable alternative, even though the rail transit and even most of the Amtrack routes have to have subsidies to survive in the population centers.
As the airlines are merging and squeezing the smaller operators out of the hub airports, the airfares are going up at the smaller airports. In many areas one airline has a near monopoly on landing slots at the hub and hence controls the flow of traffic from the smaller airports to that hub. Even when a small carrier is willing to serve a small airport if their planes cannot land at the hub airport in that area, that carrier is effectively squeezed out. The larger airline might serve the small airport, but if they do, it is at a high airfare.

SUMMARY

We now hear much talk of "Roads of National Importance" or "Roads of National Significance". Most people that are using these terms are thinking of the Interstate system with the addition of some of the present primary roads. This is all well and good, but our road system in the United States is just that, "A SYSTEM". All of the public roads, and for that matter the private roads, make up the system and all contribute to the movement of people and goods. It is just as "Important or Significant" for a person to get from their home to the Interstate at point "A" and from the Interstate at point "B" to their destination, as it is for them to get from point "A" to point "B". Any segment of the trip that is not completed makes the part that is completed useless. This is also true for any goods or products that are being transported.

We have seen figures showing that from 60% up to as high as 95% of the traffic on some sections of the Interstate is local traffic. Assuming that these figures are somewhat correct it seem only equitable that if funding is going to be provided by the federal government for that type of local traffic then funding of roads for the rural local traffic is certainly not out of line.

I do not feel that the federal government should be responsible for all of the funds for roads and streets, however the concentration of spending money on the Interstate system for the past thirty years or so has kept some of the other road systems from getting needed funds and proper attention. The primary road system in most states have suffered some, while the states used a considerable amount of money for the match money for the Interstate. This kept the primary systems from being attended to as they should. This also filtered down to where the state aid to local systems was diminished and in some cases eliminated.

My personal opinion is that the users of a transportation system should pay for the system. The road systems have been almost exclusively been paid for by user fees. The abutting property owners have paid some in the form of property tax or special assessment for the use of the road giving access to the property and the vehicle taxes including fuel paid for most of the rest. Most of the road user taxes are spent on roads. As I look around the country I see that for the most part the states that do not have a dedicated road fund are the states that are suffering the most with road fund shortages. The have used the potential road moneys for other government expenses and now have a greater problem.

Some of the other areas that have a critical need for additional road moneys have not been willing to tax themselves to meet their needs and to keep their facilities in the shape the public expects and is entitled to.

Counties own 1.7 million miles or 43% of the total milage in the United States. They also have 208,000 bridges over 20 feet in length or 51% of the bridges on the National Bridge Inventory and own or contribute funding to 25% of the public transit systems.

Realizing that there are over 37,000 units of government in this country, most of whom have road or street responsibilities, we see the raising of revenues by each of these as being a large task.

The options open to local governments are not too many. Many states only allow local government to raise revenue by property tax.

Local fuel taxes in the smaller communities is not much of a viable option even though it is legal in some states. A small community that raises the fuel tax without its neighbors doing likewise would no doubt drive part of the fuel business to the other communities. This is evident across state lines where the fuel taxes are not the same.

Local sales taxes have some of the same effect.

The one thing that the federal government probably does more efficiently than anyone else is to collect taxes. If the federal government is going to continue to collect road use taxes over and above what is needed for the 4R work on the Interstate system, then this revenue should be shared with local governments also.

The continuing subsidy to the production of alcohol for fuel by the road user should be discontinued.

The general revenue sharing that took place for several years, worked quite well. There was a minimum of red tape and each governmental unit got a share. Perhaps this type of distribution to all units of government with road responsibilities could be used.

The T^2 centers are doing a good job for the local governments. Funding should be increased to operate the centers and the match should be changed to 90% federal 10% local or even 100% federal. The areas that need the information the most are also the areas that have the most difficulty raising the match money.

It is interesting to note that for the last several years the Highway Trust Fund has been building up at the rate of one to two billion dollars per year, to where there is some 12 to 14 billion dollars in it. The funds are not being spent down because of the national debt, although it is a dedicated fund. Then along comes a situation where the Savings and Loan people have made some very bad judgments and some out and out thefts and a minimum of $158 Billion dollars is suddenly appropriated to bail them out. This at a time when we can't afford to spend two billion dollars a year of money already collected for badly needed highways.

I appreciate the opportunity to make this presentation and will be sending you a copy of the NACE position paper as soon as it is available. I also am willing to try to supply you with any further information that you care to request.

STATEMENT OF THE
WYOMING TRUCKING ASSOCIATION, INC.

TRANSPORTATION 2020 FORUM

OCTOBER 8, 1987

CASPER, WYOMING

Mr. Chairman, Ladies and Gentlemen:

I am Sharon D. Nichols, Managing Director of the Wyoming Trucking Association, a trade association organized under the laws of the State of Wyoming. Our membership of more than 500 is composed of truck owners, operators and the companies which service the trucking industry.

We are an industry which views the highway network as an essential element in performing our mission, the movement of goods and people in a timely, safe manner. A well-engineered, well-maintained, safe network of roads and highways is as critical to our operation as is a secure supply of the fuel which powers our vehicles.

More than thirty years ago when the dream of a great network of highways was crafted which would connect all segments of this nation, a unique federal-state partnership was born. The partnership created a role for the Federal government in which it established basic highway objectives, dispersed the funds provided by the highway users and held in trust for highway purposes. The states were to provide a share of the capital required, again primarily from highway users and the states and their professional staffs had the job of deciding what, where and when to build specific road projects.

To the extent that the partnership followed the basic framework, the dream has been fulfilled. But the history of the highway program is littered with broken promises. As we began to meddle with basic principles we found that promises were broken, rules were changed and today we find ourselves having to re-examine our priorities and to rechart our direction.

The failure started when the federal part of the equation began to assume a greater share of the partnership by assigning a lesser role to the states through a system of Congressionally mandated sanctions on issues which frequently bore little relationship to the fundamental purpose of the highway system. The Congress further chipped away at the structure through the subversion of the trust fund concept by diversion of user funds to non-highway purposes. In an artificial attempt to mask the Congress' own inability to balance a federal budget, they have held the Highway Trust Fund hostage, using its dedicated revenues as a way to make the deficit look smaller. Taxes for all highway users have more than doubled over the past several years, but there has been no related expenditure outlay in that same period. For example, in the last 5 year period, trucks have paid close to $61 billion in state highway taxes and $31 billion in federal taxes. While the current highway bill approaches a spending pattern approximately equal to projected revenues at the Federal level, it completely and totally ignores the Trust Fund Balance of approximately $13 billion. Again, there is little relationship between what is collected and what is spent.

Now, today, 1987, the nation's highway needs are increasing at an alarming rate. Our system of highways is reaching the end of its design life. Each state has a monumental backlog of unmet needs amounting to billions of dollars. And the states have virtually no way to do the job they are supposed to do, without a continued, certain ongoing source of monies from federal highway taxes. Funding sources are drying up, the needs continue to grow and the dollars which could help to make a difference are still locked up.

And, still we condone federal sanctions instead of incentives to achieve desirable goals, we force states to use their great pool of engineering expertise and experience to fill out reports that say 6 out of 12 vehicles were exceeding the speed limit. We have proved the validity of federal bridge formulas countless times in countless places. We place burdensome restrictions on states that may not be possible to meet, however lofty they be and penalize states who cannot meet an impossible standard. An example is the federal disadvantaged business program which requires states to target 10% of their construction money for businesses owned by minorities or women. That is an impossible goal in many states, it's a waste of money, and is a tragic disservice to those it was designed to help.

This last highway bill which could not be passed by Congress in 1986 and finally made it to the President's desk in 1987 is of serious concern to highway users. It is first of all, underfunded. Again we play deficit reduction games. Second, the many demonstration projects have more political pork barrel validity than public policy purpose. Why not provide a funding provision of discretionary funds to each state? Allow the states to select the project of their choice according to needs and wishes of their own constituency? This removes much of the attraction for the "pork barrel" approach and there is no doubt that states could put the funds to good use.

And last and most disturbing of all, there is no clearly defined purpose, no mission statement, no public policy goals in the Surface Transportation and Uniform Relocation Assistance Act of 1987.

The DOT, Federal Highway Administration, Congress, the states and you and me must focus our energies on finding that mission goal, our purpose, our reason for being. I see as an ideal and not impossible goal, the Federal Highway Administration taking the lead in research and development. With dollars getting harder to generate, FHWA can be the leader in matching technology benefits to system needs, including how to build better roads. What is the dollar and cents benefit of designing highways for a 30-year life instead of 20 years? Would the world end if FHWA engineers brought commercial vehicle manufacturers, operators and shippers into the research and development process and talked vehicles and needs for the future including access problems and safety concerns. It's a misuse of funds when you continue to design and build for post World War II vehicles and then rebuild and rebuild on a piecemeal basis. In the past 20 years, technology has given the trucking industry some powerful tools. Perhaps there is a lesson here for the entire highway community. As an example, in 1970 truck maintenance costs as a percentage were 16%. Today, as a result of improved technology, the percentage is about 5%.

Would the flag stop waving if the Federal government recognized that there are distinct and different needs in different parts of the country and often in different parts of a region and yes, in different parts of a state? Now what we have is the ridiculous idea of trying to find a set of standards both in the terms of highway design and vehicle types that fit the Boston-New York corrider and I-80 in Wyoming. Somehow, somewhere, someone said if we have uniformity, we will have met the needs. Instead, we have frustration, anger and increasing problems all across the country and no one is meeting the needs. Research is desperately needed to promote a better understanding of and reflection of user costs and benefits in highway design and management.

What we should be seeking is compatability, compatability of design in accordance with community needs, traffic volume, geographical constraints, vehicle mix, using a set of minimum standards in the case of commercial vehicles and allowing states to impose the upper limits which best meet the needs of the state and region. Longer combination vehicles, with which we are familiar in the West, may well not be appropriate in some areas of the country. The shorter, heavier axled vehicles grandfathered for use in many eastern states provide the efficient, flexibility for a 200 year old network of roads and streets used by Paul Revere, Sam Adams and the Green Mountain Boys and more important, they help to meet the needs of a highly congested, urbanized area. Compatability allows for work to proceed from the rural network up with input from users all along the system. Local and state governments are still in the best position to determine what works best at home.

My industry must take a seat at the Highway Policy Conference Table in the years to come. A seat must be available to all highway users and to all those who benefit from them. There is no other way to:

- Define future highway needs
- Create and understand the need for a stable and adequate finanical foundation
- Evaluate how well highway services are working

My industry should not try to assume the role of the highway engineering professional. The reverse is true as well. We can best provide an understanding of our own changing industry. Collectively, we can succeed, as adversaries, no amount of money will ever get the job done.

We must somehow achieve a national consensus on the Need to upgrade highway service. We may well need an expanded Interstate and primary system. In rural areas, the need is no less demanding. The accident toll on these roads in the terms of human suffering and economic cost is unacceptable. A system of patching potholes and mowing grass will neither meet the capacity needs of the nation nor the social needs of a safe highway system. We may need a major overhaul in some areas and why not? We shouldn't back off from that challenge, it is happening all over the world. We are building airports to handle modern airplanes, with wide bodies, we're exploring hub and spoke arrangements. Harbors world-wide are being changed to handle modern shipping needs, container operations. Railroads are changing their systems to meet the needs of the future. Is it so unlikely to consider changes in our highway system to meet today's and tomorrow's needs? That may well involve some changes, in attitude, in philosophy and in the way we do business.

The 30-year old concept of dedicating highway user fees to the highway program must be preserved and protected at all levels of government. This is important not only to the system of roads itself but is the only way to insure the full support of the users who provide the funds. Make no mistake, there are other interests out there who could make good use of their money source if given the opportunity.

We lose a significant amount of dollars to highway funds because of the complexity and cost of regulations and the collection of taxes. All highway users should support efforts aimed at simplification, uniformity when and where practical and compatability of different methods now in use.

The Wyoming Trucking Association supports a continued professionally designed and managed program in Wyoming. We recognize the need to expand our Interstate system to include, as a minimum route, the route from Gillette to Rawlins. We support the continued independence of our highway department as a group of dedicated professionals who have built and manage an excellent system of roads in this state. We recognize as well, that in today's world, the role of the highway professional must now include responding to concerns and needs of a constituency, who increasingly demands an understanding of accountability, that role must be further expanded to provide a forum for all highway users and beneficiaries to participate in.

You see, there is not a man, woman, child, business or industry in this state who does not recognize (they may not understand) but they recognize the importance of the road in our lives. There is simply no other way to the outside world. Every basic industry, every job, is tied somehow, in some way, to a good system of roads. The road, the highway is as essential to our future as a clean water supply. We have too much invested in the system to watch it become less able to handle our growing needs into the Twenty-first century.

[NOTE: Additional material accompanying this statement has been retained in committee files.]

Zirbel Transport, Inc.
P.O. Box 933, Lewiston, Idaho 83501 (208) 743-3628

August 28, 1989

SENATOR STEVE SYMMS
301 D Street
Lewiston, ID 83501

RE: Hearings on the Federal Aid highway program.

Dear Steve:

I apologize for not being able to attend your Twin Falls nor Idaho Falls hearings for the water resources transportation and infra structure sub-committee, but I do feel that there are some very serious concerns with the potential deterioration with the funds within the highway trust funds and with the attitudes towards the highways.

I believe you realize, as most people in the business world do, that construction is only step one of any system. In most cases, the continual maintenance of the system once its created, is equal to if not greater than, the cost of the original construction. Inflation continues to increase and additional modification to the structures is needed to match the current trends and demands upon the system. So I would hope that the Federal Aid Highway program not change its collection method, and only review and change its allocation of monies based on age of structures and needs for maintenance on those systems. The federal designing and specs committees need to become more flexible and aware of the different socioeconomic, geographic, highway use structures and weather patterns of the different parts of the country. Design, needs and demands for the state of New York or California do not meet the needs and demands of the highways in Washington, Oregon, or Idaho.

I think that although it may be desirable to have one set of standards, there is inherent waste and non-feasibility created by trying to apply one set of standards to that broad a range of applications.

With respect to the transportation needs or urban and rural areas, I believe our country will begin to reduce its trade deficit, through the great potential of our agricultural and timber areas. The States will need more latitude in project selection. Simply by the fact that they are agricultural and timber areas, dictates by their own existence that there is not population and there are not great numbers of revenue producing highways, therefore it becomes difficult for those areas themselves to soley support the highways within those areas.

Lastly, and probably most important is the critical issue and the national need and mandate for the United State Congress to not have the ability to tap the federal aids highway funds or use that taxing and collecting structure for general funds deficit reduction. I think it would set a precedent of giving money from a designated fund to a group who have over the years proven that they cannot operate in the black. A group that has continually overspent the money they are given and it would open the door and create the precedent to begin to steal and access funds from all trust funds. I believe this action goes far beyond the mandate of the public for fiduciary responsibility.

I think your sincere, honest and forceful support of the sanctity of highway trust funds must be continued.

Sincerely yours,
ZIRBEL TRANSPORT, INC.

Norm Galey

Norm Galey
Vice President of Finance

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